

Public Service Commission
2540 Shumard Oak Blvd
Tallahassee, Fl 32399-0850
Office of Commission Clerk
Docket#080499-WU

Please accept this letter in response to the listed deficiencies listed in your letter dated August 08 2008 with regards to the application for TLP Water Inc. On September 12th 2008 Cheryl Johnson Spoke to Bill Carey (President) and was granted and extension until October 20th 2008. We are forwarding all available information available to this date and will continue to forward all requested documents as they become available. Enclosed (Exhibit A-1 3 pages) is an attached overview from Bill Carey for your review. Any assistance or guidance the commission may be able to extend would be greatly appreciated so we may conclude this in a timely manner.

1) Noticing of all parties will be late filed as stated in the application so we may request the assistance of the Public Service Commission to the exact verbage and requirements.

2) Enclosed is the Meter Rate sheet for 2007. We were assisted by the Rural Water Association in the preparation of this document.(Exhibit 2A) Enclosed is a copy of Three Lakes Park 2007 tax returns.(Exhibit 2B) TLP Water Inc. was not established until March 10th 2008.Enclosed is a copy of the Florida Corporations Certificate to verify this date.(Exhibit A-11) Enclosed is a supplied copy of the Florida license of the Water Plant operator of record who currently services and maintains the water plant on TLP's behalf.(Exhibit 2C 1-2) Quality Water Treatment Inc. of Leesburg, Fl. is the vendor of record who manages and assists in maintaining all DEP requirements. Both parties with license copies attached are employees of Quality Water Treatment.

Enclosed is also a copy for the latest sanitary survey performed by the DEP.(Exhibit 2D pages 1-8)

3) Enclosed is a copy of the document showing continued use of the land given to TLP Water Inc.(Exhibit 3A)

4) Water Tariff. Enclosed is a copy of the 1948 document (Exhibit 4A pages 183-186)where an agreement was originally made with all parties to continue to supply water to the residents outside of Three Lakes Park which was a privately owned property known as Cari's Camp. in May 2008 customers and lawyers for both parties met in mediation and established a flat rate of 39.00 per month for each homeowner being supplied water. This is the only rate and /or charge currently that exists. Only 13 of the homes currently have meters and no charge has been imposed to date. The original 1948 document refers to a charge that could be made however was never applied.

We have enclosed a copy for your review. We have also enclosed a copy of the mediation document filed in May 2008 for your review.(Exhibit 4B)

5) Rates and Charges. We ask that you please review the above paragraph and the listed documentation supplied. This is the only rate and /or charge to date to have taken place.

COM _____
ECR _____
GCL _____
OPC _____
RCP _____
SSC _____
SGA _____
ADM _____
CLK _____

DOCUMENT NUMBER-DATE

09911 OCT 17 8

FPSC-COMMISSION CLERK

still existing outside the park.

All customers have and maintain their own septic systems.

The water plant is a single well with 3 hp submersible pump and 2 inch distribution with a 2000 gallon retention tank.

TLP Water Inc. was formed on March 10th 2008 as a non profit utility(Exhibit A-11). It was privately operated by Three Lakes Mobile Home Park until that date referring to the 1948 document which a copy is enclosed. (Exhibit 4A)

It is our intent to fully comply with all requests made by the Public Service Commission to provide any information available. Please be advised that any correspondence must be sent to the following address so all information can be forwarded to the appropriate person.

TLP Water Inc.
12315 US Highway 441
Tavares, Fl 32778

Thank you in advance for your assistance.

Bill Carey

(Pursuant to Section 367.045, Florida Statutes)

To: Office of Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

The undersigned hereby wishes to comply with Rule 25-30.034, Florida Administrative Code for original certificate(s) to operate a water only and/or wastewater _____ utility in LAKE _____ County, Florida, and submits the following information:

PART I APPLICANT INFORMATION

A) The full name (as it appears on the certificate), address and telephone number of the applicant:

TLP WATER, INC.

Name of utility

(352) 702-3869 () NONE

Phone No. Fax No.

12315 U.S. HIGHWAY 491

Office street address

TAVARES FLORIDA 32778

City State Zip Code

Mailing address if different from street address

Internet address if applicable

B) The name, address and telephone number of the person to contact concerning this application:

WILLIAM CAREY (352) 702-3869

Name Phone No.

12315 U.S. HIGHWAY 491 NO. 24

Street address

TAVARES FLORIDA 32778

City State Zip Code

C) Indicate the organizational character of the applicant:
(circle one)

Corporation

Partnership

Sole Proprietorship

Other _____
(Specify)

D) If the applicant is a corporation, list names, titles and addresses of corporate officers, directors. (Use additional sheet if necessary.)

U.S. HIGHWAY 44/24 WILLIAM E. CAREY PRESIDENT
" " # 23 LEON J. HERLONG VICE-PRESIDENT
" " # 32 LARRY SHUTT SECRETARY-TREASURER

E) If the applicant is not a corporation, list names and addresses of all persons or entities owning an interest in the organization. (Use additional sheet if necessary.)

PART II SYSTEM INFORMATION

A) **WATER**

- (1) Exhibit _____ - A statement describing the proposed types(s) of water service to be provided (i.e., potable, non-potable or both).
- (2) Exhibit _____ - A schedule showing the number of customers currently being served by class and meter size, as well as the number of customers projected to be served when the requested service territory is fully occupied.
- (3) Indicate permit numbers and dates of approval of water treatment facilities by the Department of Environmental Protection (DEP) or the agency designated by the DEP to issue permits:

- (4) Indicate when the water utility system was

PART VIII AFFIDAVIT

I WILLIAM E. CAREY (applicant) do solemnly swear or affirm that the facts stated in the forgoing application and all exhibits attached thereto are true and correct and that said statements of fact thereto constitutes a complete statement of the matter to which it relates.

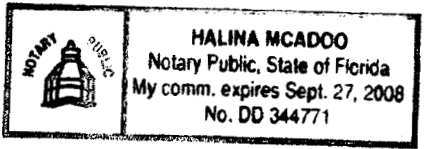
BY: William E. Carey
Applicant's Signature

WILLIAM E. CAREY
Applicant's Name (Typed)

PRESIDENT
Applicant's Title *

Subscribed and sworn to before me this 7TH day of JULY, 2008 by WILLIAM E. CAREY who is personally known to me or produced identification

Type of Identification Produced



Halina McAdoo
Notary Public's Signature

HALINA McADOO
Print, Type or Stamp Commissioned
Name of Notary Public

* If applicant is a corporation, the affidavit must be made by the president or other officer authorized by the by-laws of the corporation to act for it. If applicant is a partnership or association, a member of the organization authorized to make such affidavit shall execute same.

COMMISSIONERS:
MATTHEW M. CARTER II, CHAIRMAN
LISA POLAK EDGAR
KATRINA J. MCMURRIAN
NANCY ARGENZIANO
NATHAN A. SKOP

STATE OF FLORIDA



TIMOTHY DEVLIN, DIRECTOR
DIVISION OF ECONOMIC REGULATION
(850) 413-6900

Public Service Commission

August 08, 2008

Mr. David Welch
c/o TLP Water, Inc.
P.O. Box 1074
Tavares, Florida 32778

Re: Docket No 080499-WU Application for certificate to operate water utility in Lake County by TLP Water, Inc.

Dear Mr. Welch:

After reviewing the application in the above referenced docket, staff has identified the following deficiencies and additional information needed to complete our review and processing of the application. Enclosed is a copy of Rule 25-30.034, Florida Administrative Code to assist you in correcting the deficiencies listed below.

Deficiencies

1. **Noticing.** As required by Section 367.045(1) (a), Florida Statutes, and Rule 25-30.030, Florida Administrative Code, the utility must provide notice of the application and provide affidavits that the notice was given to the governing bodies of the municipality, county or counties, the customers and privately owned water and wastewater utilities that hold certificates granted by the Public Service Commission. Enclosed is a list of the entities to notice. Please provide a copy of the notice of the application to the governing bodies of the municipality, county or counties, the customers and privately owned water and wastewater utilities and affidavits of noticing as required by Rule 25-30.030, Florida Administrative Code. Enclosed is a copy of Rule 25-30.030, Florida Administrative Code and an example of a notice.
2. **Financial & Technical ability.** As required by Rule 25-30.034(1)(e), Florida Administrative Code, please provide a statement regarding the applicant's financial and technical ability. As evidence of financial ability to provide water service to the area, please provide a detailed financial statement (balance sheet, along with a copy of the applicant's 2007 tax return, and income statement), of the financial condition of the applicant, that shows all assets and liabilities. The financial statements should demonstrate that the applicant has the capital resources to support the financial needs of the utility. In addition, provide a list of all entities and affiliates, upon which the applicant is relying to provide funding to the utility. If the utility has licensed personnel operating the facility please provide a statement to this fact and the individuals name and DEP certification

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD • TALLAHASSEE, FL 32399-0850

An Affirmative Action / Equal Opportunity Employer

PSC Website: <http://www.floridapsc.com>

Internet E-mail: contact@psc.state.fl.us

- numbers of these operators. Also, please provide a copy of the latest DEP Sanitary Survey for the water system.
3. Ownership or continued use of land. Pursuant to Rule 25-30.034(1)(e), Florida Administrative Code, the application is to include evidence that the utility owns the land upon which the utility treatment facilities are located, or a copy of an agreement which provides for the continued use of the land, such as a 99-year lease. Please provide the required documentation.
 4. Water tariff. Please submit the original and two copies of the model water tariff containing all rates, classifications, rules and regulations, which are consistent with Chapter 25-9, Florida Administrative Code. A copy of the model tariff is assessable on the PSC website at <http://www.floridapsc.com>. Please submit water rates on the water tariff. In addition, please submit a copy of a customer bill, which contains all information required by Rule 25-30.335(1), Florida Administrative Code.
 5. Rates and Charges. Please provide a statement listing the date and under what authority the current rates and charges were established, as required by Rule 25-30.034(1) (g), Florida Administrative Code.
 6. Territory. In addition, provide a description of the territory to be served, using township, range and section references as specified in subsection 25-30.034(1)(h), Florida Administrative Code.
 7. System map. Rule 25-30.034(1) (i), Florida Administrative Code, requires one copy of a detailed system map showing the lines, treatment facilities and the territory to be served. Please submit a map with of sufficient scale and detail to enable correlation with the description of the territory to be served.
 8. Territory maps. Rule 25-30.034(1) (j), Florida Administrative Code, requires that the proposed territory be plotted on the territory maps by use of metes and bounds or quarter sections, and with a defined reference point of beginning. Please submit maps to show metes and bounds or quarter sections, with a defined reference point of beginning.
 9. Permits. Rule 25-30.034(1) (k), Florida Administrative Code, requires the numbers and dates of any permits for the system by the Department of Environmental Protection (DEP). Please submit the required information for the water system.
 10. In Service date. Pursuant to Rule 25-30.034(1)(l) Florida Administrative Code, provide the date the utility was established.

Additional Information

1. Please provide a cost study and/or support for the proposed rates. Please include a schedule showing the original cost of the water utility assets, depreciation and contributions in aid of construction and the operating expenses of the utility using the National Association of Regulatory Utility Commissioners Uniform system of accounts (NARUC USOA) and a schedule showing the proposed capital structure.
2. Please provide the annual gallons used to calculate the monthly gallonage charge for water rates.

3. Please provide a copy of the most recent income tax return for the corporation, including a depreciation schedule showing whether the utility assets are being depreciated.
4. Please provide a description and the acreage of the parcels on which the water treatment facilities are located. When was the land for the water facilities dedicated to public service and, what was the value of the land at that time?
5. Please provide a statement regarding who will provide the billing, accounting, legal, and/or customer services. The statement should include detailed information as to how the proposed costs are determined for each of the services listed. If services to operate and manage the utility are currently under contract, please provide a copy of the contract. Also, provide a list that includes names and duties of the utility employees.
6. Does the utility have any commercial customers? If the utility has commercial customers please provide all available usage data for residential and commercial customers for the most recent twelve month period.
7. Please submit a copy of the utility's proposed service availability policy. The policy should describe who is responsible for the construction of on-site and off-site lines, hydrants, meter installations, and whether the facilities constructed by the developer will be conveyed to the utility.
8. Are there other utilities within the area that might be able to provide service to this territory? Does the applicant own other water and wastewater utility systems or companies?
9. Do the utility customers have individual septic tanks to handle wastewater?
10. What is the capacity of the water plant? How many wells does the utility have?
11. Please provide a schedule showing the revenue and expenses for the utility operations for the most recent twelve month period.

TLP Water, Inc. has been operating as a nonprofit cooperative providing water service only to its members pursuant to Section 367.022(7), Florida Statutes. However, a complaint was filed indicating that the utility is providing service to residents that aren't members of the cooperative. By providing water service to customers who are not members of the cooperative, TLP Water, Inc. becomes a utility, regulated by the Public Service Commission. The utility needs a water certificates, approved rates, and should comply with all applicable Florida Statutes and Florida Administrative Code Rules that apply to utilities regulated by this Commission. As a regulated utility Section 367.161, Florida Statutes, authorizes the Commission to assess a penalty of not more than \$5,000 for each offense, if a utility is found to have knowingly refused to comply with, or have willfully violated any Commission rule, or provision of Chapter 367, Florida Statutes.


The original and four copies of the response to the information requested in this letter should be filed with the Commission on or before **September 14, 2008**. When filing the response, please be sure to refer to the docket number and direct the response to:

Mr. David Welch
Page 4
August 08, 2008

Office of Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

Should you have any questions concerning the information in this letter, please contact Tom Walden at 850-413-6950 or Cheryl Johnson at 850-413-6984.

Sincerely,



Patti Daniel
Public Utilities Supervisor
Bureau of Certification, Economics & Tariffs

PD/CAJ:kb
Enclosures

cc: Division of Economic Regulation (Walden)
Office of the General Counsel (Young)
Office of Commission Clerk (Cole)
Mr. William Carey

STATE OF FLORIDA

COMMISSIONERS:
MATTHEW M. CARTER II, CHAIRMAN
LISA POLAK EDGAR
KATRINA J. MCMURRIAN
NANCY ARGENZIANO
NATHAN A. SKOP



TIMOTHY DEVLIN, DIRECTOR
DIVISION OF ECONOMIC REGULATION
(850) 413-6900

Public Service Commission

October 2, 2008

Mr. David Welch
c/o TLP Water, Inc.
P.O. Box 1074
Tavares, Florida 32778

Re: Docket No 080499-WU, Application for certificate to operate water utility in Lake County by TLP Water, Inc.

Dear Mr. Welch:

This letter is a follow-up on the telephone conversation of September 12, 2008, with Cheryl Johnson, during which time you requested an extension of the due date to address the deficiencies in the above application. A copy of the deficiency letter sent to you on August 8, 2008, and an updated noticing list is attached. This letter is confirmation that your new due date is October 20, 2008.

As noted in our prior letter, the utility is required, pursuant to Section 367.031, Florida Statute, to acquire a water certificate, approved rates, and to comply with all applicable Florida Statutes and Florida Administrative Code Rules that apply to utilities regulated by this Commission. In addition, Section 367.161(1), Florida Statutes, authorizes the Commission to assess a penalty up to \$5,000 per day for knowingly refusing to comply with, or willfully violating any provision of Chapter 367, Florida Statutes.

The original and four copies of the response to the information requested in the August 8, 2008 deficiency letter should be filed with the Commission on or before **October 20, 2008**. When filing the response, please be sure to refer to the docket number and direct the response to:

Office of Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

Should you have any questions concerning the information in this letter, please contact Tom Walden at 850-413-6950 or Cheryl Johnson at 850-413-6984.

Sincerely,

A handwritten signature in cursive script that reads "Patti Daniel".

Patti Daniel
Public Utilities Supervisor
Bureau of Certification, Economics & Tariffs

PD/CAJ:kb
Enclosures

cc: Division of Economic Regulation (Walden)
Office of the General Counsel (Young)
Office of Commission Clerk (Cole)
Mr. William Carey

Exhibit A1

TLP Water, Inc.
12315 US HWY 441
Tavares, FL 32778
PWS 3351579

Docket # 080499-WU

10-12-08
Office of Commission Clerk
And
Ms. Patti Daniel
Public Utilities Supervisor
Public Service Commission

Dear Ms. Daniel,

TLP Water, Inc., a non-profit corporation incorporated 3/08 and is in the application process through the Public Service Commission. Three Lakes Park, Co-Op, Inc. a non-profit cooperative incorporated in 1992.

The purchase included the responsibility for the 1948 contract for providing water to 15 properties in Sunset View (Lakeside Lane). Prior to the purchase of the Park it had two to three private owners who are now deceased. Records prior to 1992 do not exist. Extensive research of the county and Department of Environmental Protection records has been required. Although the corporation has held the same PWS number, neither Department of Health nor Department of Environmental Protection has records on our permit dating back.

When I returned from my latest 30 day trip, to my dismay I discovered PSC mail has been inadvertently addressed to Bill Carey, President at my home address. My personal mail is always on-hold when I am away. I immediately contacted PSC when this occurred and an extension was granted.

Thank you for the extension, we will be submitting a packet by the 10/20/08 extension date.

In the future, to avoid delays in a timely response, please correct your data base and address all correspondence to President (no name as officers change) at the above address.

The Board has one person assigned to pick up the TLP Water, Inc. mail M-F and will route the mail for action to the appropriate person.

As TLP Water, Inc. and Three Lakes Park (31 homes) is a 55+ retirement community with no paid staff. Board members are residents and retired. They often travel and may reside out of state for the warm months.

David Welch, a former sub-contractor, volunteered to assist the Board in the PSC application process. Dave Welch is not a member of the Park or corporations, and is helping the Board complete the PSC application process.

Please let me assure you, TLP Water, Inc. is committed to completing this process. Dave Welch has been very supportive in assisting us. We are all frustrated with retrieving data on such an old system. We are doing the best we can to complete the application process and meet the deadline.

If you have any questions, please call me on my cell phone 352-250-9176 or e-mail me at bdcarey@comcast.net. October, November and December, I am traveling out of state for several weddings and I will pick up my e-mail and get back with you.

Thank you,

Bill Carey, President
TLP Water, Inc.

Exhibit A1

TLP Water, Inc.
12315 US HWY 441
Tavares, FL 32778
PWS 3351579

Reports:

2007 Taxes Three Lakes Park, Co-Op, Inc.

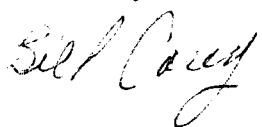
- Includes data from Three Lakes Park Co-operative and Water Plant/Distribution
- Each residence (31) in Three Lakes Park pays a monthly Funds generated from Three Lakes Park Co-Op, Inc. assessment fee which includes potable water, septic, common area, street lights, grounds etc.
- Water customers (23 non-members) paid flat annual water rate.
- Three Lakes Park then pays all bills from general fund.

2008 Fiscal Report TLP Water, Inc.

- Note incorporation 3-2008
- Accounts receivable are separate. June 2008 retrospective accounts receivable begin as water customers pay their monthly flat rate.
- Water customers decreased from 23 when 4 customers left the system in May 2008 when then installed a multifamily well. These 4 customers have failed to pay any water rates for 2008 or any pro-rated share for water plant repair.
- 7 of the 18 water customers are in arrears.
- Until TLP Water, Inc. can be independent, some accounts payable are paid through Three Lakes Park Co-Op, Inc.
- Three Lakes Park Co-Op, Inc. will reconcile water accounts they have paid by October 31, 2008, the end of the fiscal year against the amount owed $\$39.00 \times 32 \text{ taps} = \$1248.00/\text{month}$. 12480 (10 months January-October 2008) for 32 taps (31 residences and 1clubhouse).

Outstanding "loans" from Three Lakes Park Co-Op, Inc. (depleted co-operative reserves) for water plant repair 2006 and Lakeside Lane water distribution system repair 2007 exceed \$110,000. The water customers have refused to pay their share for the repairs causing both non-profit corporations to be close to bankruptcy.

Bill Carey, President





Florida Rural Water Association
2970 Wellington Circle West
Tallahassee, Florida 32308

Phone (850) 668-2746
Fax (850) 893-4581

Exhibit
2A

Mediated Agreement Flat Rates

Data from fiscal year

SYSTEM

TLP Master Rate Sheet: Water Bill Only

DATE

2007

yellow colors are formulas

		unit/yr	unit/mo.
Water Pumped (gallons)	5,368,700	99,420.37	
Water Sold (gallons)	2,430,000	45,000	3750/mo
Water Loss	2,938,700		
Percent Water Loss	54.74		

INCOME

Water Sales (\$)	\$ 11,880.00
Utility Tax	\$ -
Interest	\$ -
On/Off Charges	\$ -
Investment/Rents	\$ -
Connection Fees	\$ -
Late Fees	\$ -
Miscellaneous	\$ -
Total Annual Income	\$ 11,880.00
Capacity Fees (needs to go to Restricted Funds for future use)	\$ -

EXPENSES

Water Plant Expenses	\$ 9,772.00	180.96
FICA Taxes	\$ -	
Retirement Contribution	\$ -	
Life and Health Insurance	\$ -	
Workmans Compensation	\$ -	
Professional Srvc. Legal	\$ -	
Engineering Fees	\$ -	
Accounting and Auditing	\$ 2,400.00	44.44
Other Contract Services: Grounds maintenance, weed control & DEP permit fee	\$ 600.00	11.11
Travel and Per Diem	\$ -	
Utility Services	\$ 739.95	13.7
Rentals and Leases	\$ 3,720.00	68.89
Insurance	\$ 459.35	8.51
Repairs and Maintenance	\$ -	
Repairs and Maintenance Equip	\$ -	
Repairs and Maintenance Vehicle	\$ -	
Office Supplies	\$ 1,000.00	18.52
Operating Supplies	\$ -	
Uniforms	\$ -	
Fuel and Oil	\$ -	
Dues and Subscriptions	\$ 117.00	2.17
Administration Services	\$ 1,000.00	18.52
Capital Outlay	\$ -	
Total Annual Expenses	\$ 19,808.30	

OPERATING EXPENSE

Total Operating Expense	\$ 19,808.30
--------------------------------	---------------------

DEBT PAYMENT/SYSTEM RESERVES

General Reserve	\$5,465.00	\$101.20	8.44/mo.
	\$ -		
Total Debt Payment and System Funded Reserve	\$ 5,109.00		
TOTAL ANNUAL EXPENSE	\$ 25,273.30		

SYSTEM SUMMARY

Number of Connections	54
Average Usage per User per Month (1000 gallons)	4.000
Total Cost per 1000 gallons pumped	\$ 3.69
Average cost/month per customer	\$39.00
Average income generated in one year per customer	\$468.02
Income Generated	\$ 11,880.00
Income Needed (Expense and Replacement)	\$ 25,273.30

--	--



Florida Rural Water Association
 2970 Wellington Circle West
 Tallahassee, Florida 32308

Phone (850) 668-2746
 Fax (850) 893-4581

SYSTEM

TLP Water, Inc. Canal Street Rates-Loan Paid Off

DATE

Data from fiscal year
 2007

yellow colors are formulas

Water Pumped (gallons)	894,783
Water Sold (gallons)	405,000
Water Loss	489,783
Percent Water Loss	54.74

INCOME

Water Sales (\$)	\$ 1,980.00
Utility Tax	\$ -
Interest	\$ -
On/Off Charges	\$ -
Investment/Rents	\$ -
Connection Fees	\$ -
Late Fees	\$ -
Miscellaneous	\$ -
Total Annual Income	\$ 1,980.00
Capacity Fees (needs to go to Restricted Funds for future use)	\$ -

EXPENSES

Water Distribution	\$ -
Water Plant Expenses	\$ 1,628.64
FICA Taxes	\$ -
Retirement Contribution	\$ -
Life and Health Insurance	\$ -
Workmans Compensation	\$ -
Professional Srvc. Legal	\$ -
Engineering Fees	\$ -
Accounting and Auditing	\$ 399.96
Other Contract Services	\$ 99.99
Travel and Per Diem	\$ -
Utility Services	\$ 123.30
Rentals and Leases	\$ 620.01
Insurance	\$ 76.59
Repairs and Maintenance	\$ -
Repairs and Maintenance Equip	\$ -
Repairs and Maintenance Vehicle	\$ -
Office Supplies	\$ 166.68
Operating Supplies	\$ -
Uniforms	\$ -
Fuel and Oil	\$ -
Dues and Subscriptions	\$ 19.53
Administration Services	\$ 166.68
Capital Outlay	\$ -
Total Annual Expenses	\$ 3,301.38

OPERATING EXPENSE

Total Operating Expense	\$ 3,301.38
--------------------------------	--------------------

DEBT PAYMENT/SYSTEM RESERVES

Total Debt Expenses (Principal and Interest)	\$ -
Repair and Replacement Reserve	\$ 1,000.00
Debt Reserve	\$ -
Contingency/Emergency	\$ 1,000.00
Total Debt Payment and System Funded Reserve	\$ 2,000.00
TOTAL ANNUAL EXPENSE	\$ 5,301.38

SYSTEM SUMMARY

Number of Connections	9
Average Usage per User per Month (1000 gallons)	4.000
Total Cost per 1000 gallons pumped	\$ 3.69
Average Monthly Cost (per customer)	\$49.09
Average income generated in one year per customer	\$589.04
Income Generated	\$ 1,980.00
Income Needed (Expense and Replacement)	\$ 5,301.38



Florida Rural Water Association
2970 Wellington Circle West
Tallahassee, Florida 32308

Phone (850) 668-2746
Fax (850) 893-4581

SYSTEM TLP WATER INC.-CANAL ST. RATES DATE 2007 Data from fiscal year yellow colors are formulas

Water Pumped (gallons)	894,783
Water Sold (gallons)	405,000
Water Loss	489,783
Percent Water Loss	54.74

INCOME

Water Sales (\$)	\$ 1,980.00
Utility Tax	\$ -
Interest	\$ -
On/Off Charges	\$ -
Investment/Rents	\$ -
Connection Fees	\$ -
Late Fees	\$ -
Miscellaneous	\$ -
Total Annual Income	\$ 1,980.00
Capacity Fees (needs to go to Restricted Funds for future use)	\$ -

EXPENSES

Water Distribution	\$ -
Water Plant Expenses	\$ 1,628.64
FICA Taxes	\$ -
Retirement Contribution	\$ -
Life and Health Insurance	\$ -
Workmans Compensation	\$ -
Professional Srvc. Legal	\$ -
Engineering Fees	\$ -
Accounting and Auditing	\$ 399.96
Other Contract Services	\$ 99.99
Travel and Per Diem	\$ -
Utility Services	\$ 123.03
Rentals and Leases	\$ 620.01
Insurance	\$ 76.59
Repairs and Maintenance	\$ -
Repairs and Maintenance Equip	\$ -
Repairs and Maintenance Vehicle	\$ -
Office Supplies	\$ 166.68
Operating Supplies	\$ -
Uniforms	\$ -
Fuel and Oil	\$ -
Dues and Subscriptions	\$ 19.53
Administration Services	\$ 166.68
Capital Outlay	\$ -
Total Annual Expenses	\$ 3,301.11

OPERATING EXPENSE

Total Operating Expense	\$ 3,301.11
--------------------------------	--------------------

DEBT PAYMENT/SYSTEM RESERVES

Total Debt Expenses (Principal and Interest)	\$ 3,659.52
Repair and Replacement Reserve	\$ 1,000.00
Debt Reserve	\$ -
Contingency/Emergency	\$ 1,000.00
Total Debt Payment and System Funded Reserve	\$ 5,659.52
TOTAL ANNUAL EXPENSE	\$ 8,960.63

13,709.34
Amortized x 5 yrs
12%

SYSTEM SUMMARY

Number of Connections	9
Average Usage per User per Month (1000 gallons)	4.000
Total Cost per 1000 gallons pumped	\$ 3.69
Average Monthly Cost (per customer)	\$82.97
Average income generated in one year per customer	\$995.63
Income Generated	\$ 1,980.00
Income Needed (Expense and Replacement)	\$ 8,960.63

Exhibit 2B

Form 1120

U.S. Corporation Income Tax Return

OMB No. 1545-0123

For calendar year 2007 or tax year beginning 2007, ending 2007

2007

Department of the Treasury Internal Revenue Service

See separate instructions.

A Check if:
 1 a Consolidated return (attach Form 851)
 b Life/nonlife consolidated return
 2 Personal holding co (attach Sch PH)
 3 Personal service corp (see instr)
 4 Schedule M-3 attached

Use IRS label. Otherwise, print or type.

Name: **THREE LAKES PARK CO-OP, INC.**
 Number, street, and room or suite number. If a P.O. box, see instructions.
12315 US HIGHWAY 441, LOT 24
 City or town: **TAVARES** state: **FL** ZIP code: **32778-4588**

B Employer identification number
59-3061897

C Date incorporated
01/01/1993

D Total assets (see instructions)
\$ 448,980.

E Check if: (1) Initial return (2) Final return (3) Name change (4) Address change

INCOME	1 a Gross receipts or sales	61,738.	b Less returns & allowances		c Balance	1 c	61,738.
	2 Cost of goods sold (Schedule A, line 8)					2	
	3 Gross profit. Subtract line 2 from line 1c					3	61,738.
	4 Dividends (Schedule C, line 19)					4	
	5 Interest					5	12,284.
	6 Gross rents					6	
	7 Gross royalties					7	
	8 Capital gain net income (attach Schedule D (Form 1120))					8	
	9 Net gain or (loss) from Form 4797, Part II, line 17 (attach Form 4797)					9	
	10 Other income (see instructions - attach schedule)					10	
	11 Total income. Add lines 3 through 10					11	74,022.

DEDUCTIONS SEE INSTRUCTIONS	12 Compensation of officers (Schedule E, line 4)					12	
	13 Salaries and wages (less employment credits)					13	
	14 Repairs and maintenance					14	18,727.
	15 Bad debts					15	
	16 Rents					16	
	17 Taxes and licenses					17	3,412.
	18 Interest					18	3,357.
	19 Charitable contributions					19	
	20 Depreciation from Form 4562 not claimed on Schedule A or elsewhere on return (attach Form 4562)					20	14,665.
	21 Depletion					21	
	22 Advertising					22	
23 Pension, profit-sharing, etc, plans					23		
24 Employee benefit programs					24		
25 Domestic production activities deduction (attach Form 8903)					25		
26 Other deductions (attach schedule) - See Other Deductions Statement.					26	29,314.	
27 Total deductions. Add lines 12 through 26					27	69,475.	
28 Taxable income before net operating loss deduction and special deductions. Subtract line 27 from line 11					28	4,547.	
29 Less: a Net operating loss deduction (see instructions)	29 a					4,547.	
b Special deductions (Schedule C, line 20)	29 b				29 c	4,547.	

TAX AND PAYMENTS	30 Taxable income. Subtract line 29c from line 28 (see instructions)					30	0.
	31 Total tax (Schedule J, line 10)					31	
	32 a 2006 overpayment credited to 2007	32 a					
	b 2007 estimated tax payments	32 b					
	c 2007 refund applied for on Form 4466	32 c					
	d Bal	32 d					
	e Tax deposited with Form 7004	32 e					
	f Credits: (1) Form 2439 (2) Form 4136	32 f				32 g	
	33 Estimated tax penalty (see instructions). Check if Form 2220 is attached					33	
	34 Amount owed. If line 32g is smaller than the total of lines 31 and 33, enter amount owed					34	
	35 Overpayment. If line 32g is larger than the total of lines 31 and 33, enter amount overpaid					35	
36 Enter amount from line 35 you want: Credited to 2008 estimated tax					36	Refunded	

Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Signature of officer: _____ Date: _____ Title: _____

May the IRS discuss this return with the preparer shown below (see instructions)? Yes No

Paid Preparer's Use Only

Preparer's signature: _____ Date: _____ Check if self-employed Preparer's SSN or PTIN: **P00633831**

Firm's name (or yours if self-employed), address, and ZIP code: **Manning, Emery, & Costello, P.A.**
918 W. Dixie Ave.
Leesburg FL 34748

EIN: **20-3928072** Phone no.: **(352) 728-4815**

Schedule A Cost of Goods Sold (see instructions)

1	Inventory at beginning of year	1	
2	Purchases	2	
3	Cost of labor	3	
4	Additional section 263A costs (attach schedule)	4	
5	Other costs (attach schedule)	5	
6	Total. Add lines 1 through 5	6	
7	Inventory at end of year	7	
8	Cost of goods sold. Subtract line 7 from line 6. Enter here and on page 1, line 2	8	

9a Check all methods used for valuing closing inventory:

- (i) Cost
- (ii) Lower of cost or market
- (iii) Other (Specify method used and attach explanation.)

b Check if there was a writedown of subnormal goods

c Check if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970)

d If the LIFO inventory method was used for this tax year, enter percentage (or amounts) of closing inventory computed under LIFO **9d**

e If property is produced or acquired for resale, do the rules of section 263A apply to the corporation? Yes No

f Was there any change in determining quantities, cost, or valuations between opening and closing inventory? If "Yes," attach explanation Yes No

Schedule C Dividends and Special Deductions (see instructions)

	(a) Dividends received	(b) Percentage	(c) Special deductions (a) x (b)
1	Dividends from less-than-20%-owned domestic corporations (other than debt-financed stock)	70	
2	Dividends from 20%-or-more-owned domestic corporations (other than debt-financed stock)	80	
3	Dividends on debt-financed stock of domestic and foreign corporations		
4	Dividends on certain preferred stock of less-than-20%-owned public utilities	42	
5	Dividends on certain preferred stock of 20%-or-more-owned public utilities	48	
6	Dividends from less-than-20%-owned foreign corporations and certain FSCs	70	
7	Dividends from 20%-or-more-owned foreign corporations and certain FSCs	80	
8	Dividends from wholly owned foreign subsidiaries	100	
9	Total. Add lines 1 through 8. See instructions for limitation		
10	Dividends from domestic corporations received by a small business investment company operating under the Small Business Investment Act of 1958	100	
11	Dividends from affiliated group members	100	
12	Dividends from certain FSCs	100	
13	Dividends from foreign corporations not included on lines 3, 6, 7, 8, 11, or 12		
14	Income from controlled foreign corporations under subpart F (attach Form(s) 5471)		
15	Foreign dividend gross-up		
16	IC-DISC and former DISC dividends not included on lines 1, 2, or 3		
17	Other dividends		
18	Deduction for dividends paid on certain preferred stock of public utilities		
19	Total dividends. Add lines 1 through 17. Enter here and on page 1, line 4		
20	Total special deductions. Add lines 9, 10, 11, 12, and 18. Enter here and on page 1, line 29b		

Schedule E Compensation of Officers (see instructions for page 1, line 12)

Note: Complete Schedule E only if total receipts (line 1a plus lines 4 through 10 on page 1) are \$500,000 or more.

1	(a) Name of officer	(b) Social security number	(c) Percent of time devoted to business	Percent of corporation stock owned		(f) Amount of compensation
				(d) Common	(e) Preferred	
			%	%	%	
			%	%	%	
			%	%	%	
			%	%	%	
			%	%	%	
2	Total compensation of officers					
3	Compensation of officers claimed on Schedule A and elsewhere on return					
4	Subtract line 3 from line 2. Enter the result here and on page 1, line 12					

Schedule J Tax Computation (see instructions)

1	Check if the corporation is a member of a controlled group (attach Schedule O (Form 1120))	<input type="checkbox"/>	
2	Income tax. Check if a qualified personal service corporation (see instructions)	<input type="checkbox"/>	2
3	Alternative minimum tax (attach Form 4626)		3
4	Add lines 2 and 3		4
5a	Foreign tax credit (attach Form 1118)		5a
5b	Credits from Forms 5735 and 8834		5b
5c	General business credit. Check applicable box(es): <input type="checkbox"/> Form 6478 <input type="checkbox"/> Form 8835, Section B <input type="checkbox"/> Form 3800 <input type="checkbox"/> Form 5884 <input type="checkbox"/> Form 8844 <input type="checkbox"/> Form 8846		5c
5d	Credit for prior year minimum tax (attach Form 8827)		5d
5e	Bond credits from: <input type="checkbox"/> Form 8860 <input type="checkbox"/> Form 8912		5e
6	Total credits. Add lines 5a through 5e		6
7	Subtract line 6 from line 4		7
8	Personal holding company tax (attach Schedule PH (Form 1120))		8
9	Other taxes. Check if from: <input type="checkbox"/> Form 4255 <input type="checkbox"/> Form 8611 <input type="checkbox"/> Form 8697 <input type="checkbox"/> Form 8866 <input type="checkbox"/> Form 8902 <input type="checkbox"/> Other (att schedule)		9
10	Total tax. Add lines 7 through 9. Enter here and on page 1, line 31		10

Schedule K Other Information (see instructions)

	Yes	No		Yes	No
1	Check accounting method: a <input checked="" type="checkbox"/> Cash b <input type="checkbox"/> Accrual c <input type="checkbox"/> Other (specify) _____				
2	See the instructions and enter the: a Business activity code no. ▶ 531390 b Business activity ▶ CONDOMINIUM PARK c Product or service ▶ CO-OP				
3	At the end of the tax year, did the corporation own, directly or indirectly, 50% or more of the voting stock of a domestic corporation? (For rules of attribution, see section 267(c).) If 'Yes,' attach a schedule showing: (a) name and employer identification number (EIN), (b) percentage owned, and (c) taxable income or (loss) before NOL and special deduction of such corporation for the tax year ending with or within your tax year.		X		
4	Is the corporation a subsidiary in an affiliated group or a parent-subsidary controlled group? If 'Yes,' enter name and EIN of the parent corporation _____		X		
5	At the end of the tax year, did any individual, partnership, corporation, estate or trust own, directly or indirectly, 50% or more of the corporation's voting stock? (For rules of attribution, see section 267(c).) If 'Yes,' attach a schedule showing name and identifying number. (Do not include any information already entered in 4 above.) Enter % owned ▶ _____		X		
6	During this tax year, did the corporation pay dividends (other than stock dividends and distributions in exchange for stock) in excess of the corporation's current and accumulated earnings and profits? (See sections 301 and 316.) If 'Yes,' file Form 5452, Corporate Report of Nondividend Distributions. If this is a consolidated return, answer here for the parent corporation and on Form 851, Affiliations Schedule, for each subsidiary.		X		
7	At any time during the tax year, did one foreign person own, directly or indirectly, at least 25% of (a) the total voting power of all classes of stock of the corporation entitled to vote or (b) the total value of all classes of stock of the corporation? If 'Yes,' enter: (a) Percentage owned _____ and (b) Owner's country _____				X
8	Check this box if the corporation issued publicly offered debt instruments with original issue discount _____ If checked, the corporation may have to file Form 8281, Information Return for Publicly Offered Original Issue Discount Instruments.				
9	Enter the amount of tax-exempt interest received or accrued during the tax year ▶ \$ _____				
10	Enter the number of shareholders at the end of the tax year (if 100 or fewer) ▶ _____				
11	If the corporation has an NOL for the tax year and is electing to forego the carryback period, check here _____ If the corporation is filing a consolidated return, the statement required by Regulations section 1.1502-21(b)(3) must be attached or the election will not be valid.				
12	Enter the available NOL carryover from prior tax years (Do not reduce it by any deduction on line 29a.) ▶ \$ 6,099.				
13	Are the corporation's total receipts (line 1a plus lines 4 through 10 on page 1) for the tax year and its total assets at the end of the tax year less than \$250,000? If 'Yes,' the corporation is not required to complete Schedules L, M-1, and M-2 on page 4. Instead, enter the total amount of cash distributions and the book value of property distributions (other than cash) made during the tax year. ▶ \$ _____				X

Schedule L	Balance Sheets per Books	Beginning of tax year		End of tax year	
		(a)	(b)	(c)	(d)
Assets					
1	Cash		10,110.		870.
2a	Trade notes and accounts receivable	30,941.		5,900.	
b	Less allowance for bad debts		30,941.		5,900.
3	Inventories				
4	U.S. government obligations				
5	Tax-exempt securities (see instructions)				
6	Other current assets (attach schedule)				
7	Loans to shareholders				
8	Mortgage and real estate loans				
9	Other investments (attach schedule)				
10a	Buildings and other depreciable assets	405,165.		416,858.	
b	Less accumulated depreciation	139,596.	265,569.	154,261.	262,597.
11a	Depletable assets				
b	Less accumulated depletion				
12	Land (net of any amortization)		175,000.		179,181.
13a	Intangible assets (amortizable only)	3,769.		3,769.	
b	Less accumulated amortization	3,144.	625.	3,337.	432.
14	Other assets (attach schedule)				
15	Total assets		482,245.		448,980.
Liabilities and Shareholders' Equity					
16	Accounts payable				
17	Mortgages, notes, bonds payable in less than 1 year				
18	Other current liabilities (attach sch) .. Ln. 18 Stmt		7,443.		336.
19	Loans from shareholders				
20	Mortgages, notes, bonds payable in 1 year or more				
21	Other liabilities (attach schedule)				
22	Capital stock: a Preferred stock				
	b Common stock				
23	Additional paid-in capital		393,691.		362,986.
24	Retained earnings — Approp (att sch)		29,340.		29,340.
25	Retained earnings — Unappropriated		51,771.		56,318.
26	Adjmnt to shareholders' equity (att sch)				
27	Less cost of treasury stock				
28	Total liabilities and shareholders' equity		482,245.		448,980.

Schedule M-1 Reconciliation of Income (Loss) per Books With Income per Return

Note: Schedule M-3 required instead of Schedule M-1 if total assets are \$10 million or more — see instructions

1	Net income (loss) per books	4,547.	7	Income recorded on books this year not included on this return (itemize):	
2	Federal income tax per books			Tax-exempt interest \$	
3	Excess of capital losses over capital gains			-----	
4	Income subject to tax not recorded on books this year (itemize):			-----	
5	Expenses recorded on books this year not deducted on this return (itemize):		8	Deductions on this return not charged against book income this year (itemize):	
a	Depreciation	\$		a Depreciation .. \$	
b	Charitable contributions .. \$			b Charitable contribns \$	
c	Travel & entertainment .. \$			-----	
6	Add lines 1 through 5	4,547.	9	Add lines 7 and 8	
			10	Income (page 1, line 28) — line 6 less line 9	4,547.

Schedule M-2 Analysis of Unappropriated Retained Earnings per Books (Line 25, Schedule L)

1	Balance at beginning of year	51,771.	5	Distributions	a Cash
2	Net income (loss) per books	4,547.		b Stock	c Property
3	Other increases (itemize):		6	Other decreases (itemize):	

4	Add lines 1, 2, and 3	56,318.	7	Add lines 5 and 6	
			8	Balance at end of year (line 4 less line 7)	56,318.

Depreciation and Amortization
(Including Information on Listed Property)

▶ See separate instructions. ▶ Attach to your tax return.

Name(s) shown on return

THREE LAKES PARK CO-OP, INC.

Identifying number

59-3061897

Business or activity to which this form relates

Form 1120 Line 20

Part I Election To Expense Certain Property Under Section 179

Note: If you have any listed property, complete Part V before you complete Part I.

1	Maximum amount. See the instructions for a higher limit for certain businesses	1	\$125,000.
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation	3	\$500,000.
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property. Enter the amount from line 29	7	
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction. Enter the smaller of line 5 or line 8	9	
10	Carryover of disallowed deduction from line 13 of your 2006 Form 4562	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5 (see instrs)	11	
12	Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11	12	
13	Carryover of disallowed deduction to 2008. Add lines 9 and 10, less line 12	▶ 13	

Note: Do not use Part II or Part III below for listed property. Instead, use Part V.

Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property.) (See instructions.)

14	Special allowance for qualified New York Liberty or Gulf Opportunity Zone property (other than listed property) and cellulosic biomass ethanol plant property placed in service during the tax year (see instructions)	14	
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	

Part III MACRS Depreciation (Do not include listed property.) (See instructions)

Section A

17	MACRS deductions for assets placed in service in tax years beginning before 2007	17	14,503.
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here <input type="checkbox"/>		

Section B – Assets Placed in Service During 2007 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only — see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property						
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs		S/L	
h Residential rental property			27.5 yrs	MM	S/L	
			27.5 yrs	MM	S/L	
i Nonresidential real property	06/07	11,693.	39 yrs	MM	S/L	162.
				MM	S/L	

Section C – Assets Placed in Service During 2007 Tax Year Using the Alternative Depreciation System

20a Class life					S/L	
b 12-year			12 yrs		S/L	
c 40-year			40 yrs	MM	S/L	

Part IV Summary (see instructions)

21	Listed property. Enter amount from line 28	21	
22	Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations — see instructions	22	14,665.
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

Part IV Listed Property (Include automobiles, certain other vehicles, cellular telephones, certain computers, and property used for entertainment, recreation, or amusement.)

Note: For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete only 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.

Section A – Depreciation and Other Information (Caution: See the instructions for limits for passenger automobiles.)

24 a Do you have evidence to support the business/investment use claimed?		Yes	No	24 b If 'Yes,' is the evidence written?		Yes	No	
(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/Convention	(h) Depreciation deduction	(i) Elected section 179 cost
25 Special allowance for qualified Gulf Opportunity Zone property placed in service during the tax year and used more than 50% in a qualified business use (see instructions)							25	
26 Property used more than 50% in a qualified business use:								
27 Property used 50% or less in a qualified business use:								
28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1							28	
29 Add amounts in column (i), line 26. Enter here and on line 7, page 1							29	

Section B – Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other 'more than 5% owner,' or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

	(a)		(b)		(c)		(d)		(e)		(f)	
	Vehicle 1	Vehicle 2	Vehicle 3	Vehicle 4	Vehicle 5	Vehicle 6	Vehicle 1	Vehicle 2	Vehicle 3	Vehicle 4	Vehicle 5	Vehicle 6
30 Total business/investment miles driven during the year (do not include commuting miles)												
31 Total commuting miles driven during the year												
32 Total other personal (noncommuting) miles driven												
33 Total miles driven during the year. Add lines 30 through 32												
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
34 Was the vehicle available for personal use during off-duty hours?												
35 Was the vehicle used primarily by a more than 5% owner or related person?												
36 Is another vehicle available for personal use?												

Section C – Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who are not more than 5% owners or related persons (see instructions).

37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?	Yes	No
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners		
39 Do you treat all use of vehicles by employees as personal use?		
40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?		
41 Do you meet the requirements concerning qualified automobile demonstration use? (See instructions.)		

Note: If your answer to 37, 38, 39, 40, or 41 is 'Yes,' do not complete Section B for the covered vehicles.

Part VI Amortization

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
42 Amortization of costs that begins during your 2007 tax year (see instructions):					
43 Amortization of costs that began before your 2007 tax year					43 193.
44 Total. Add amounts in column (f). See the instructions for where to report					44 193.

Form 1120, Page 1, Line 26
Other Deductions Statement

ACCOUNTING FEES	750.
AMORTIZATION	193.
ATTORNEY FEES	3,290.
BANK SERVICE CHARGES	100.
FEES & PERMITS	129.
INSURANCE - LIABILITY	6,431.
MANAGEMENT FEES	4,800.
OFFICE SUPPLIES	917.
POSTAGE & DELIVERY	41.
WASTE PLANT SUPPLIES	1,734.
WATER EXPENSE	8,190.
WATER FEE	2,739.
Total	<u>29,314.</u>

Form 1120, Page 4, Schedule L, Line 18
Ln 18 Stmt

Other Current Liabilities:	Beginning of tax year	End of tax year
PREPAID RENT LIABILITY	194.	194.
SALES TAX PAYABLE	142.	142.
SBA ACCOUNT	7,107.	0.
Total	<u>7,443.</u>	<u>336.</u>

**Application for Automatic 6-Month Extension of Time To File
Certain Business Income Tax, Information, and Other Returns**

► **File a separate application for each return.**

Type or Print	Name THREE LAKES PARK CO-OP, INC.	Identifying number 59-3061897
	Number, street, and room or suite number. (If P.O. box, see instructions.) 12315 US HIGHWAY 441, LOT 24	
File by the due date for the return for which an extension is requested. See instructions.	City, town, state, and ZIP code (If a foreign address, enter city, province or state, and country (follow the country's practice for entering postal code)). TAVARES FL 32778-4588	

Note. See instructions before completing this form.

- 1 Enter the form code for the return that this application is for (see below) 12
- 2 If the foreign corporation does not have an office or place of business in the United States, check here ►
- 3 If the organization is a corporation or partnership that qualifies under Regulations section 1.6081-5, check here ►
- 4 a The application is for calendar year 20 07, or tax year beginning _____, 20 _____, and ending _____, 20 _____
- b Short tax year. If this tax year is less than 12 months, check the reason:
 Initial return Final return Change in accounting period Consolidated return to be filed
- 5 If the organization is a corporation and is the common parent of a group that intends to file a consolidated return, check here ►
If checked, attach a schedule, listing the name, address, and Employer Identification Number (EIN) for each member covered by this application.

6 Tentative total tax	6	
7 Total payments and credits (see instructions)	7	
8 Balance due. Subtract line 7 from line 6. Generally, you must deposit this amount using the Electronic Federal Tax Payment System (EFTPS), a Federal Tax Deposit (FTD) Coupon, or Electronic Funds Withdrawal (EFW) (see instructions for exceptions)	8	

Application Is For:	Form Code	Application Is For:	Form Code
Form 706-GS(D)	01	Form 1120-ND	19
Form 706-GS(D)	02	Form 1120-ND (section 4951 taxes)	20
Form 1041 (estate)	04	Form 1120-PC	21
Form 1041 (trust)	05	Form 1120-POL	22
Form 1041-N	06	Form 1120-REN	23
Form 1041-QP	07	Form 1120-RIC	24
Form 1042	08	Form 1120-S	25
Form 1065	09	Form 1120-SF	26
Form 1065-B	10	Form 3520-A	27
Form 1066	11	Form 8612	28
Form 1120	12	Form 8613	29
Form 1120-A (fiscal-year 2006-2007 corporations)	14	Form 8725	30
Form 1120-C	34	Form 8804	31
Form 1120-F	15	Form 8831	32
Form 1120-FSC	16	Form 8875	33
Form 1120-H	17	Form 8924	35
Form 1120-L	18		

BAA For Paperwork Reduction Act Notice, see separate instructions. Form-7004 (Rev.12-2007)



Florida Corporate Short Form Income Tax Return

F-1120A
R. 01/08

Rule 12C-1.051
Florida Administrative Code
Effective 01/08

For tax year beginning on
or after January 1, 2007

FEIN:
Taxable Year End:

Where to Send Payments and Returns

Make check payable to and send with return to:
Florida Department of Revenue
5050 W Tennessee St
Tallahassee FL 32399-0135

If you are requesting a refund (Line 9b), send your
return to:

Florida Department of Revenue
PO Box 6440
Tallahassee FL 32314-6440

Who May File a Florida Corporate Short Form (Form F-1120A)?

Corporations or other entities subject to Florida corporate income tax must file Florida Form F-1120 unless they qualify to file a Florida Corporate Short Form Income Tax Return (Form F-1120A).

A corporation qualifies to file Form F-1120A if it meets **ALL** of the following criteria:

- It has Florida net income of \$45,000 or less.
- It conducts 100 percent of its business in Florida.
- It does not report any additions to and/or subtractions from federal taxable income other than a net operating loss deduction and/or state income taxes, if any.
- It has no Florida Emergency Excise Tax (EET) liability. Corporations that only have assets placed into service after January 1, 1987, are not subject to Florida EET.
- It is not included in a Florida or federal consolidated corporate income tax return.
- It claims no tax credits other than tentative tax payments or estimated tax payments.
- It is not required to pay Federal Alternative Minimum Tax.

Online Filing Application for F-1120A

Florida corporate income taxpayers that have filed in a previous year and qualify to file a Florida Corporate Short Form (F-1120A) are encouraged to use the Department's online filing application. The application will guide you through the filing process using an interactive wizard. Go to www.myflorida.com/dor/eservices to find out more.

(Continued on Page 2)

The F-1120A is a machine-readable form. Please follow the hand print or machine print instructions. Use black ink.

If hand printing this document, print your numbers as shown and write one number per box. Write within the boxes.

0 1 2 3 4 5 6 7 8 9

If typing this document, type through the boxes and type all of your numbers together.

0 1 2 3 4 5 6 7 8 9

	U.S. DOLLARS							CENTS	
1. Federal taxable income							0		
2. Plus (+) Federal NOLD + state income tax			4	5	4	7			
3. Less (-) Florida NOLD			4	5	4	7			
4. Less (-) Florida exemption			5	0	0	0			
5. Equals (=) Florida net income						0			
6. Tax due: 5.5% of Line 5						0			
7. Less (-) Payment credits									
8. Plus (+) Penalty and interest (See instructions)									
9. Total amount due or overpayment (Complete Line 9a or 9b for overpayments)						0			

Florida Corporate Short Form Income Tax Return

F-1120A
R. 01/08

Mail coupon only.
Keep upper portion for your records.

Three Lakes Park Co-op, Inc.
12315 US Highway 441, Lot 24
Tavares, FL 32778

Name
Address
City/ST/ZIP

If Line 5 is zero "0" or less, enter "0" on Line 6.
If this amount is \$2,500 or greater, you cannot file F-1120A.

DOR USE ONLY
[] / [] / []

FEIN 593061897

Taxable Year Beginning

Taxable Year End

0 1 0 1 0 7

1 2 3 1 0 7

REMEMBER TO COMPLETE THE BACK OF THE FORM

A Check if: 1 a Consolidated return (attach Form 851) <input type="checkbox"/> b Life/nonlife consolidated return <input type="checkbox"/> 2 Personal holding co (attach Sch PH) <input type="checkbox"/> 3 Personal service corp (see instr) <input type="checkbox"/> 4 Schedule M-3 attached <input type="checkbox"/>	Use IRS label. Otherwise, print or type.	Name THREE LAKES PARK CO-OP, INC. Number, street, and room or suite number. If a P.O. box, see instructions. 12315 US HIGHWAY 441, LOT 24 City or town state ZIP code TAVARES FL 32778-4588	B Employer identification number 59-3061897 C Date incorporated 01/01/1993 D Total assets (see instructions) \$ 448,980.
E Check if: (1) Initial return (2) Final return (3) Name change (4) Address change			

I N C O M E	1 a Gross receipts or sales	61,738	b Less returns & allowances		c Balance	▶ 1c	61,738.
	2 Cost of goods sold (Schedule A, line 8)					2	
	3 Gross profit. Subtract line 2 from line 1c					3	61,738.
	4 Dividends (Schedule C, line 19)					4	
	5 Interest					5	12,284.
	6 Gross rents					6	
	7 Gross royalties					7	
	8 Capital gain net income (attach Schedule D (Form 1120))					8	
	9 Net gain or (loss) from Form 4797, Part II, line 17 (attach Form 4797)					9	
	10 Other income (see instructions - attach schedule)					10	
	11 Total income. Add lines 3 through 10					▶ 11	74,022.

D E D U C T I O N S	12 Compensation of officers (Schedule E, line 4)					12	
	13 Salaries and wages (less employment credits)					13	
	14 Repairs and maintenance					14	18,727.
	15 Bad debts					15	
	16 Rents					16	
	17 Taxes and licenses					17	3,412.
	18 Interest					18	3,357.
	19 Charitable contributions					19	
	20 Depreciation from Form 4562 not claimed on Schedule A or elsewhere on return (attach Form 4562)					20	14,665.
	21 Depletion					21	
	22 Advertising					22	
	23 Pension, profit-sharing, etc, plans					23	
	24 Employee benefit programs					24	
	25 Domestic production activities deduction (attach Form 8903)					25	
	26 Other deductions (attach schedule) . See Other Deductions Statement.					26	29,314.
	27 Total deductions. Add lines 12 through 26					▶ 27	69,475.
	28 Taxable income before net operating loss deduction and special deductions. Subtract line 27 from line 11					28	4,547.
29 Less: a Net operating loss deduction (see instructions)	29 a		4,547.				
b Special deductions (Schedule C, line 20)	29 b				29 c	4,547.	

T A X A N D P A Y M E N T S	30 Taxable income. Subtract line 29c from line 28 (see instructions)					30	0.
	31 Total tax (Schedule J, line 10)					31	
	32 a 2006 overpayment credited to 2007	32 a					
	b 2007 estimated tax payments	32 b					
	c 2007 refund applied for on Form 4466	32 c					
	d Bal	32 d					
	e Tax deposited with Form 7004	32 e					
	f Credits: (1) Form 2439 (2) Form 4136	32 f				32 g	
	33 Estimated tax penalty (see instructions). Check if Form 2220 is attached					33	
	34 Amount owed. If line 32g is smaller than the total of lines 31 and 33, enter amount owed					34	
35 Overpayment. If line 32g is larger than the total of lines 31 and 33, enter amount overpaid					35		
36 Enter amount from line 35 you want: Credited to 2008 estimated tax					▶ 36	Refunded ▶	

Sign Here Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Signature of officer _____ Date _____ Title _____

May the IRS discuss this return with the preparer shown below (see instructions)? Yes No

Paid Preparer's Use Only	Preparer's signature ▶	Date	Check if self-employed <input type="checkbox"/>	Preparer's SSN or PTIN
	Firm's name (or yours if self-employed), address, and ZIP code	Manning, Emery, & Costello, P.A. 918 W. Dixie Ave. Leesburg FL 34748		EIN 20-3928072
	Phone no.	(352) 728-4815		

Schedule A Cost of Goods Sold (see instructions)

1	Inventory at beginning of year	1
2	Purchases	2
3	Cost of labor	3
4	Additional section 263A costs (attach schedule)	4
5	Other costs (attach schedule)	5
6	Total. Add lines 1 through 5	6
7	Inventory at end of year	7
8	Cost of goods sold. Subtract line 7 from line 6. Enter here and on page 1, line 2	8

9a Check all methods used for valuing closing inventory:

- (i) Cost
- (ii) Lower of cost or market
- (iii) Other (Specify method used and attach explanation.)

b Check if there was a writedown of subnormal goods

c Check if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970)

d If the LIFO inventory method was used for this tax year, enter percentage (or amounts) of closing inventory computed under LIFO **9d**

e If property is produced or acquired for resale, do the rules of section 263A apply to the corporation? Yes No

f Was there any change in determining quantities, cost, or valuations between opening and closing inventory? If 'Yes,' attach explanation Yes No

Schedule C Dividends and Special Deductions (see instructions)

	(a) Dividends received	(b) Percentage	(c) Special deductions (a) x (b)
1	Dividends from less-than-20%-owned domestic corporations (other than debt-financed stock)	70	
2	Dividends from 20%-or-more-owned domestic corporations (other than debt-financed stock)	80	
3	Dividends on debt-financed stock of domestic and foreign corporations		
4	Dividends on certain preferred stock of less-than-20%-owned public utilities	42	
5	Dividends on certain preferred stock of 20%-or-more-owned public utilities	48	
6	Dividends from less-than-20%-owned foreign corporations and certain FSCs	70	
7	Dividends from 20%-or-more-owned foreign corporations and certain FSCs	80	
8	Dividends from wholly owned foreign subsidiaries	100	
9	Total. Add lines 1 through 8. See instructions for limitation		
10	Dividends from domestic corporations received by a small business investment company operating under the Small Business Investment Act of 1958	100	
11	Dividends from affiliated group members	100	
12	Dividends from certain FSCs	100	
13	Dividends from foreign corporations not included on lines 3, 6, 7, 8, 11, or 12		
14	Income from controlled foreign corporations under subpart F (attach Form(s) 5471)		
15	Foreign dividend gross-up		
16	IC-DISC and former DISC dividends not included on lines 1, 2, or 3		
17	Other dividends		
18	Deduction for dividends paid on certain preferred stock of public utilities		
19	Total dividends. Add lines 1 through 17. Enter here and on page 1, line 4		
20	Total special deductions. Add lines 9, 10, 11, 12, and 18. Enter here and on page 1, line 29b		

Schedule E Compensation of Officers (see instructions for page 1, line 12)

Note: Complete Schedule E only if total receipts (line 1a plus lines 4 through 10 on page 1) are \$500,000 or more.

1	(a) Name of officer	(b) Social security number	(c) Percent of time devoted to business	Percent of corporation stock owned		(f) Amount of compensation
				(d) Common	(e) Preferred	
			%	%	%	
			%	%	%	
			%	%	%	
			%	%	%	
			%	%	%	
2	Total compensation of officers					
3	Compensation of officers claimed on Schedule A and elsewhere on return					
4	Subtract line 3 from line 2. Enter the result here and on page 1, line 12					

Schedule J Tax Computation (see instructions)

1	Check if the corporation is a member of a controlled group (attach Schedule O (Form 1120))	<input type="checkbox"/>	
2	Income tax. Check if a qualified personal service corporation (see instructions)	<input type="checkbox"/>	2
3	Alternative minimum tax (attach Form 4626)		3
4	Add lines 2 and 3		4
5a	Foreign tax credit (attach Form 1118)		5a
5b	Credits from Forms 5735 and 8834		5b
5c	General business credit. Check applicable box(es): <input type="checkbox"/> Form 6478 <input type="checkbox"/> Form 8835, Section B <input type="checkbox"/> Form 8844 <input type="checkbox"/> Form 3800 <input type="checkbox"/> Form 5884 <input type="checkbox"/> Form 8846		5c
5d	Credit for prior year minimum tax (attach Form 8827)		5d
5e	Bond credits from: <input type="checkbox"/> Form 8860 <input type="checkbox"/> Form 8912		5e
6	Total credits. Add lines 5a through 5e		6
7	Subtract line 6 from line 4		7
8	Personal holding company tax (attach Schedule PH (Form 1120))		8
9	Other taxes. Check if from: <input type="checkbox"/> Form 4255 <input type="checkbox"/> Form 8611 <input type="checkbox"/> Form 8697 <input type="checkbox"/> Form 8866 <input type="checkbox"/> Form 8902 <input type="checkbox"/> Other (att schedule)		9
10	Total tax. Add lines 7 through 9. Enter here and on page 1, line 31		10

Schedule K Other Information (see instructions)

	Yes	No		Yes	No
1	Check accounting method: a <input checked="" type="checkbox"/> Cash b <input type="checkbox"/> Accrual c <input type="checkbox"/> Other (specify) _____				
2	See the instructions and enter the: a Business activity code no. ▶ 531390 b Business activity ▶ CONDOMINIUM PARK c Product or service ▶ CO-OP				
3		X	At the end of the tax year, did the corporation own, directly or indirectly, 50% or more of the voting stock of a domestic corporation? (For rules of attribution, see section 267(c).) If 'Yes,' attach a schedule showing: (a) name and employer identification number (EIN), (b) percentage owned, and (c) taxable income or (loss) before NOL and special deduction of such corporation for the tax year ending with or within your tax year.		
4		X	Is the corporation a subsidiary in an affiliated group or a parent-subsidiary controlled group? If 'Yes,' enter name and EIN of the parent corporation _____		
5		X	At the end of the tax year, did any individual, partnership, corporation, estate or trust own, directly or indirectly, 50% or more of the corporation's voting stock? (For rules of attribution, see section 267(c).) If 'Yes,' attach a schedule showing name and identifying number. (Do not include any information already entered in 4 above.) Enter % owned ▶ _____		
6		X	During this tax year, did the corporation pay dividends (other than stock dividends and distributions in exchange for stock) in excess of the corporation's current and accumulated earnings and profits? (See sections 301 and 316.) If 'Yes,' file Form 5452, Corporate Report of Nondividend Distributions. If this is a consolidated return, answer here for the parent corporation and on Form 851, Affiliations Schedule, for each subsidiary.		
7			At any time during the tax year, did one foreign person own, directly or indirectly, at least 25% of (a) the total voting power of all classes of stock of the corporation entitled to vote or (b) the total value of all classes of stock of the corporation? If 'Yes,' enter: (a) Percentage owned _____ and (b) Owner's country _____		X
8			The corporation may have to file Form 5472, Information Return of a 25% Foreign-Owned U.S. Corporation or a Foreign Corporation Engaged in a U.S. Trade or Business. Enter number of Forms 5472 attached _____		
9			Enter the amount of tax-exempt interest received or accrued during the tax year ▶ \$ _____		
10			Enter the number of shareholders at the end of the tax year (if 100 or fewer) ▶ _____		
11			If the corporation has an NOL for the tax year and is electing to forego the carryback period, check here <input type="checkbox"/> If the corporation is filing a consolidated return, the statement required by Regulations section 1.1502-21(b)(3) must be attached or the election will not be valid.		
12			Enter the available NOL carryover from prior tax years (Do not reduce it by any deduction on line 29a.) ▶ \$ 6,099.		
13			Are the corporation's total receipts (line 1a plus lines 4 through 10 on page 1) for the tax year and its total assets at the end of the tax year less than \$250,000? If 'Yes,' the corporation is not required to complete Schedules L, M-1, and M-2 on page 4. Instead, enter the total amount of cash distributions and the book value of property distributions (other than cash) made during the tax year. ▶ \$ _____		X

Schedule L Balance Sheets per Books	Beginning of tax year		End of tax year	
	(a)	(b)	(c)	(d)
Assets				
1 Cash		10,110.		870.
2a Trade notes and accounts receivable	30,941.		5,900.	
b Less allowance for bad debts		30,941.		5,900.
3 Inventories				
4 U.S. government obligations				
5 Tax-exempt securities (see instructions)				
6 Other current assets (attach schedule)				
7 Loans to shareholders				
8 Mortgage and real estate loans				
9 Other investments (attach schedule)				
10a Buildings and other depreciable assets	405,165.		416,858.	
b Less accumulated depreciation	139,596.	265,569.	154,261.	262,597.
11a Depletable assets				
b Less accumulated depletion				
12 Land (net of any amortization)		175,000.		179,181.
13a Intangible assets (amortizable only)	3,769.		3,769.	
b Less accumulated amortization	3,144.	625.	3,337.	432.
14 Other assets (attach schedule)				
15 Total assets		482,245.		448,980.
Liabilities and Shareholders' Equity				
16 Accounts payable				
17 Mortgages, notes, bonds payable in less than 1 year				
18 Other current liabilities (attach sch) .. Ln. 18 Stmt		7,443.		336.
19 Loans from shareholders				
20 Mortgages, notes, bonds payable in 1 year or more				
21 Other liabilities (attach schedule)				
22 Capital stock: a Preferred stock				
b Common stock				
23 Additional paid-in capital		393,691.		362,986.
24 Retained earnings -- Approp (att sch)		29,340.		29,340.
25 Retained earnings -- Unappropriated		51,771.		56,318.
26 Adjmnt to shareholders' equity (att sch)				
27 Less cost of treasury stock				
28 Total liabilities and shareholders' equity		482,245.		448,980.

Schedule M-1 Reconciliation of Income (Loss) per Books With Income per Return

Note: Schedule M-3 required instead of Schedule M-1 if total assets are \$10 million or more - see instructions

1 Net income (loss) per books	4,547.	7 Income recorded on books this year not included on this return (itemize):	
2 Federal income tax per books		Tax-exempt interest \$	
3 Excess of capital losses over capital gains		-----	
4 Income subject to tax not recorded on books this year (itemize):		-----	
5 Expenses recorded on books this year not deducted on this return (itemize):		8 Deductions on this return not charged against book income this year (itemize):	
a Depreciation	\$	a Depreciation	\$
b Charitable contributions	\$	b Charitable contribns \$
c Travel & entertainment	\$	-----	
6 Add lines 1 through 5	4,547.	9 Add lines 7 and 8	
		10 Income (page 1, line 28) - line 6 less line 9	4,547.

Schedule M-2 Analysis of Unappropriated Retained Earnings per Books (Line 25, Schedule L)

1 Balance at beginning of year	51,771.	5 Distributions	a Cash
2 Net income (loss) per books	4,547.	b Stock	c Property
3 Other increases (itemize):	-----	6 Other decreases (itemize):	-----
4 Add lines 1, 2, and 3	56,318.	7 Add lines 5 and 6	
		8 Balance at end of year (line 4 less line 7)	56,318.

Florida Department of Revenue - Corporate Income Tax

F-7004
R. 01/06

Florida Tentative Income / Franchise and Emergency Excise Tax
Return and Application for Extension of Time to File Return

You must write within the boxes. (example) 0 1 2 3 4 5 6 7 8 9 If typing, type through the boxes. (example) 0123456789

Write your numbers as shown and enter one number per box.

Name: Three Lakes Park Co-Op, Inc.
Address: 12315 US Hwy. 441, Lot 24
City/St/ZIP: Tavares, FL 32778

FEIN 593061897

Taxable year end: 123107
FLING STATUS (Mark "X" in one box only): Corporation Partnership

Tentative tax due (See reverse side): US DOLLARS 0 CENTS 00

Under penalties of perjury, I declare that I have been authorized by the above-named taxpayer to make this application, and that to the best of my knowledge and belief the statements herein are true and correct.

Sign here: M. G. CPA Date: 3/14/08
Make checks payable and mail to: Florida Department of Revenue, 5050 W Tennessee St., Tallahassee FL 32399-0135

Check here if you transmitted funds electronically

9200 0 20079999 0002005030 & 3999999999 0000 2

Exhibit A-11



I certify from the records of this office that TLP WATER, INC. is a corporation organized under the laws of the State of Florida, filed on March 10, 2008.

The document number of this corporation is N08000002396.

I further certify that said corporation has paid all fees due this office through December 31, 2008, and its status is active.

I further certify that said corporation has not filed Articles of Dissolution.

I further certify that this is an electronically transmitted certificate authorized by section 15.16, Florida Statutes, and authenticated by the code, 708A00014829-031108-N08000002396-1/1, noted below.

Authentication Code: 708A00014829-031108-N08000002396-1/1

Given under my hand and the Great Seal of the State of Florida, at Tallahassee, the Capital, this the Eleventh day of March, 2008



Kurt S. Browning
Secretary of State

State of Florida
Department of Environmental Protection

Exhibit 20-1

ISSUED: 03/14/2007

LICENSE NO.: 0007971

THE CLASS C DRINKING WATER TREATMENT PLANT OPERATOR NAMED BELOW IS LICENSED UNDER THE PROVISIONS OF CHAPTER 403, FLORIDA STATUTES.

VALID UNTIL: 04/30/2009

RICHARD P BRAMLETT

CHARLIE CRIST
GOVERNOR

DISPLAY IS REQUIRED BY LAW

MICHAEL W. SOLE
SECRETARY

State of Florida
Department of Environmental Protection

Exhibit 2C-2

ISSUED: 03/14/2007

LICENSE NO.: 0007406

THE CLASS C DRINKING WATER TREATMENT PLANT OPERATOR NAMED BELOW IS LICENSED UNDER THE PROVISIONS OF CHAPTER 403, FLORIDA STATUTES.

VALID UNTIL: 04/30/2009

STEPHEN J YUNKER

CHARLIE CRIST
GOVERNOR

DISPLAY IS REQUIRED BY LAW

MICHAEL W. SOLE
SECRETARY

Exhibit 2D

Charlie Crist
Governor

Jeff Kottkamp
Lt. Governor

Michael W. Sole
Secretary



Florida Department of Environmental Protection

Central District
3319 Maguire Boulevard, Suite 232
Orlando, Florida 32803-3767

March 21, 2008

Mr. William Carey
Three Lakes Park Co-Op, Inc.
12315 U.S. Highway 441, Lot #24
Tavares, FL 32778

OCD-PW-SS-08-0214

Lake County – PW
Three Lakes Park
PWS ID Number 3351579

Dear Mr. Carey:

This confirms a visit to the subject community public water system on March 14, 2008 by Danielle D. Owens to conduct a sanitary survey inspection. A copy of the sanitary survey inspection report is enclosed for your reference and records.

At the time of inspection, you stated that portions of the water main extension proposed in the permit application received by the Department on February 29, 2008 have already been constructed and differ from the permit application; specifically, the existing 2-inch main will not be abandoned and replaced with a 3-inch main. Additionally, a review of records indicates existing components may not comply with applicable standards, and the design may not adhere to sound engineering practices.

Be advised that a permit cannot be issued for modifications that have already been completed. Failure to provide distribution system components that comply with applicable standards, and are designed using sound engineering practices, will result in enforcement action.

Deficiencies found during the sanitary survey and in Department records are listed in the enclosed report. These deficiencies shall be corrected in order to return to compliance with *Florida Administrative Code* (F.A.C.) Rules 62-550, 62-555, 62-560 and 62-602. Provide a written response to the Department no later than **no later than April 7, 2008**.

If you have any questions, please contact Danielle D. Owens by e-mail at Danielle.D.Owens@dep.state.fl.us or by phone at (407) 894-7555, extension 2216.

Sincerely,

A handwritten signature in black ink, appearing to read "Kim Dodson".

Kim Dodson, Environmental Manager
Drinking Water Compliance and Enforcement

KMD/ddo
Enclosures

cc: Quality Water Treatment
Gary Williams, FRWA
Osama Mahmoud, DEP Permitting
Danielle D. Owens, DEP Drinking Water

State of Florida
 Department of Environmental Protection
 Central District
SANITARY SURVEY REPORT

Plant Name Three Lakes Park County Lake PWS ID # 3351579
 Plant Location: 12315 U.S. Highway 441, Tavares, FL 32778 Phone (352) 250-9176
 Owner Name Three Lake Park Co-Op, Inc Phone (352) 250-9176
 Owner Address 12315 U.S. Highway 441, Lot #24, Tavares, FL 32778
 Contact Person William Carey Title President Phone (352) 250-9176
 This Survey Date 03/14/08 Last Survey Date 12/22/05 Last Compliance Inspection Date 01/11/07

PWS TYPE: Community

PLANT CATEGORY & CLASS: 5D

MAX-DAY DESIGN CAPACITY: 43,200 gpd

PWS STATUS: Approved

TREATMENT PROCESSES IN USE

Disinfection

SERVICE AREA CHARACTERISTICS

Mobile Home Park

Food Service: Yes No N/A

Number of Service Connections 58
 Population Served 104 Basis President

OPERATION & MAINTENANCE LOG: Yes

Location Water treatment plant

Comments _____

CERTIFIED OPERATOR: Yes

Operator(s) & Certification Class-Number:
Pat Bramlett C-7911

Hrs/day: Required	*Visit	Actual	*Visit
Days/wk: Required	<u>2</u>	Actual	<u>2</u>
Non-consecutive Days?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A

Comments ***Visits must add up to a cumulative total of at least 0.2 hrs/wk. No more than 5 days between visits.**

MONTHLY OPERATION REPORTS (MORs)

MORs submitted regularly? Yes No N/A
 Data missing from MORs? No Yes N/A
 Average Day (from MORs) 8,723 gpd
 Maximum Day (from MORs) 22,825 gpd 05/07
 Comments _____

Flow Measuring Device Flow Meter
 Meter Size & Type 2" Master Meter
 Date Last Calibrated Unknown

RAW WATER SOURCE

GROUND; Number of Wells 1
 Emergency Water Source _____
 Emergency Water Capacity _____

STANDBY POWER SOURCE: Not Required

Source _____
 Capacity of Standby (kW) _____
 Switchover: Automatic Manual
 Hrs Operated Under Load _____

What equipment does it operate?

Well Pumps _____
 High Service Pumps _____
 Treatment Equipment _____

Satisfy avg. daily demand? Yes No Unknown
 Audio-visual alarm? Yes No

Comments _____

PLANS AND MAPS

Coliform Sampling Plan	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	<input type="checkbox"/> N/A
D/DBP Monitoring Plan	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	<input type="checkbox"/> N/A
Lead and Copper Plan	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Distribution System Map	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input checked="" type="checkbox"/> N/A
Emergency Response Plan	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input checked="" type="checkbox"/> N/A

Comments **Coliform sampling plan and disinfectants/disinfection byproduct rule monitoring plans not available for review.**

PREVENTIVE MAINTENANCE/O&M

Operation & Maintenance Manual	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Preventive Maintenance Program	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Flushing Program	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Records	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Isolation Valve Exercise	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Records	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Comments Operation and maintenance manual and preventive maintenance program not available for review.

CROSS CONNECTION CONTROL

BFPAs Unknown # Tested Unknown
 WWTP RPZ N/A Date Tested N/A
 Written Plan No Date N/A
 Comments Cross-connection control program not available for review.

GROUND WATER SOURCE

Well Number (Florida Unique Well ID #)	1 (AAH6141)	Back up pump		
Year Drilled	Unknown			
Depth Drilled	238'			
Drilling Method	Rotary			
Type of Grout	Neat cement			
Static Water Level	9'			
Pumping Water Level	Unknown			
Design Well Yield	Unknown			
Test Yield	Unknown			
Actual Yield (if different than rated capacity)	Unknown			
Strainer	Unknown			
Length (outside casing)	48'			
Diameter (outside casing)	4"			
Material (outside casing)	Galvanized			
Well Contamination History	None			
Is inundation of well possible?	Yes			
6' X 6' X 4" Concrete Pad	Yes			
SET BACKS	Septic Tank	> 100'		
	Reuse Water	N/A		
	WW Plumbing	> 100'		
	Other Sanitary Hazard	See comments		
PUMP	Type	Centrifugal	Centrifugal	
	Manufacturer Name	Berkeley	Monarch Ind.	
	Model Number	JML 14091	Unknown	
	Rated Capacity (gpm)	60	40	
	Motor Horsepower	5	3	
Well casing 12" above grade?	Yes			
Well Casing Sanitary Seal	Ok			
Raw Water Sampling Tap	Yes			
Above Ground Check Valve	Yes			
Security	Yes			
Well Vent Protection	N/A			

COMMENTS Well is located less than 100' from Highway 441.

CHLORINATION (Disinfection)

Type: Gas Hypo
 Make Pulsatron Capacity 24 gpd
 Chlorine Feed Rate 90%
 Avg. Amount of Cl₂ gas used N/A
 Chlorine Residuals: Plant 0.64 Remote 0.61
 Remote tap location Hose bib next to 12137
Lakeside Lane
 DPD Test Kit: On-site With operator
 None Not Used Daily
 Injection Points Prior to hydropneumatic tank
 Booster Pump Info N/A
 Comments _____

STORAGE FACILITIES

(G) Ground (C) Clearwell (E) Elevated
 (B) Bladder (H) Hydropneumatic / flow-through

Tank Type/Number	H		
Capacity (gal)	2,000		
Material	Steel		
Gravity Drain	Yes		
By-Pass Piping	Yes		
Protected Openings	Yes		
Sight Glass or Level Indicator	Yes		
PRV/ARV	PRV		
Pressure Gauge	Yes		
On/Off Pressure	35/48		
Access Secured	Yes		
Access Manhole	Yes		
Tank Sample Tap Location	Effluent Piping		
Date of Inspection	Unknown		
Date of Cleaning	Unknown		

Comments _____

Chlorine Gas Use Requirements	YES	NO	Comments
Dual System	<input type="checkbox"/>	<input type="checkbox"/>	
Auto-switchover	<input type="checkbox"/>	<input type="checkbox"/>	
Alarms:			
Loss of Cl ₂ capability	<input type="checkbox"/>	<input type="checkbox"/>	
Loss of Cl ₂ residual	<input type="checkbox"/>	<input type="checkbox"/>	
Cl ₂ leak detection	<input type="checkbox"/>	<input type="checkbox"/>	
Scale	<input type="checkbox"/>	<input type="checkbox"/>	
Chained Cylinders	<input type="checkbox"/>	<input type="checkbox"/>	
Reserve Supply	<input type="checkbox"/>	<input type="checkbox"/>	
Adequate Air-pak	<input type="checkbox"/>	<input type="checkbox"/>	
Sign of Leaks	<input type="checkbox"/>	<input type="checkbox"/>	
Fresh Ammonia	<input type="checkbox"/>	<input type="checkbox"/>	
Ventilation	<input type="checkbox"/>	<input type="checkbox"/>	
Room Lighting	<input type="checkbox"/>	<input type="checkbox"/>	
Warning Signs	<input type="checkbox"/>	<input type="checkbox"/>	
Repair Kits	<input type="checkbox"/>	<input type="checkbox"/>	
Fitted Wrench	<input type="checkbox"/>	<input type="checkbox"/>	
Housing/Protection	<input type="checkbox"/>	<input type="checkbox"/>	

HIGH SERVICE PUMPS

Pump Number			
Type			
Make			
Model			
Capacity (gpm)			
Motor HP			
Date Installed			

Comments _____

AERATION (Gases, Fe, & Mn Removal)

Type _____ Capacity _____
 Aerator Condition _____
 Visible Algae Growth _____
 Protective Screen Condition _____
 Frequency of Cleaning _____
 Date Last Inspected/Cleaned _____
 Comments _____

DEFICIENCIES:

1. **The Department was unable to determine if public water system components conform to the applicable standards, regulations, or requirements.** Information about the material used for the newly installed water main was not provided at the time of inspection.

Newly installed or constructed PWS components that come into contact with drinking water or drinking water treatment chemicals shall conform to one of the following:

- a. NSF International Standard 61 as adopted in Rule 62-555.335, F.A.C.;
- b. NSF International Standard 42, 44, 53, 55, 58, or 62 as adopted in Rule 62-555.335, F.A.C.;
- c. Section 6 of NSF International Standard 14 as adopted in Rule 62-555.335, F.A.C.; or
- d. The Food and Drug Administration's regulations for indirect food additives as contained in the April 1, 2002, revision of 21 CFR Parts 174 through 189, which are incorporated herein by reference.

[Subparagraph 62-555.320(3)(b)1, F.A.C.]

2. **Failure to provide the proper horizontal separation between underground water mains and on-site sewage treatment and disposal systems.** A recently altered water main is located within ten feet of an on-site sewage treatment and disposal system.

New or relocated, underground water mains shall be laid to provide a horizontal distance of at least ten feet between the outside of the water main and all parts of any existing or proposed "on-site sewage treatment and disposal system" as defined in Section 381.0065(2), F.S., and Rule 64E-6.002, F.A.C. [Paragraph 62-555.314(1)(d), F.A.C.]

3. **Failure to properly color code and label new or altered piping.** Recently altered water mains are not color coded or labeled.

All new or altered, aboveground piping at drinking water treatment plants shall be color coded and labeled as recommended in Section 2.14 of *Recommended Standards for Water Works* as incorporated into Rule 62-555.330, F.A.C. In addition, all underground water main pipe that is installed at drinking water treatment plants on or after August 28, 2003, and that is conveying finished drinking water shall be color coded as required under subparagraph 62-555.320(21)(b)3, F.A.C. [Subsection 62-555.320(10), F.A.C.]

4. **Failure to disinfect and bacteriologically evaluate new or altered water mains.** A review of Department records indicates newly installed mains were not properly disinfected and bacteriologically evaluated prior to being placed into operation.

Before new or altered water mains are placed into operation, they shall be properly disinfected in accordance with the applicable American Water Works Association (AWWA) standard (i.e., AWWA Standard C651, C652, or C653) as incorporated into Rule 62-555.330, F.A.C.

Bacteriological evaluations to verify proper disinfection of treatment or storage facilities and water mains shall be conducted as set forth in paragraphs 62-555.340(2)(a) through (c), F.A.C.

[Rule 62-555.340, F.A.C.]

5. **Failure to design and construct water system components using sound engineering practice.** The following are not designed in accordance with sound engineering practice:

- a. The portion of the distribution system piping extending across the canal does not meet FDEP regulations regarding the installation of potable mains that cross a surface water body.

Provide documentation of installation procedures for this portion of the main, including bedding and cover; thrust restraint at new or altered tees, bends, plugs; pressure and leakage testing; support, anchorage, and protection for the portion of main crossing above surface water; and special construction of flexible, restrained, or welded watertight joints for the portion of the main crossing under surface water.

- b. Based on information provided in the permit application, the existing 2-inch main is not adequate. Justification for the size of the proposed water mains indicates 3-inch diameter provides the required minimum pressure in the distribution system.

New or altered public water system components shall be designed in accordance with sound engineering practice. Engineering references are listed in Rule 62-555.330, F.A.C. [Subsection 62-555.320(1), F.A.C.]

DEFICIENCIES (continued):

6. Failure to establish and implement a cross-connection control program.

Community water systems, and all public water systems that have service areas also served by reclaimed water systems regulated under Part III of Chapter 62-610, F.A.C., shall establish and implement a routine cross-connection control program to detect and control cross-connections and prevent backflow of contaminants into the water system. This program shall include a written plan that is developed using recommended practices of the American Water Works Association set forth in *Recommended Practice for Backflow Prevention and Cross-Connection Control*, AWWA Manual M14, as incorporated into Rule 62-555.330, F.A.C. [Rule 62-555.360(2), F.A.C.]

Upon discovery of a prohibited cross-connection, public water systems shall either eliminate the cross-connection by installation of an appropriate backflow prevention device acceptable to the Department or shall discontinue service until the contaminant source is eliminated. [Subsection 62-555.360(3), F.A.C.]

The Florida Rural Water Association's website, www.frwa.net, has a cross-connection control manual for your reference.

7. Failure to provide a written sampling plan for total coliform monitoring.

Public water systems shall collect total coliform samples at sites that are representative of water throughout the distribution system and in accordance with a written sampling plan that addresses location, timing, frequency, and rotation period. These plans shall be available for review and possible revision on the occasion of a sanitary survey conducted by the Department. Descriptions of sampling locations shall be specific, i.e., numbered street addresses or lot numbers. Pressure tank or plant tap samples are not acceptable for determining compliance. [Subsection 62-550.518(1), F.A.C.]

8. Failure to provide a disinfectants/disinfection byproducts rule monitoring plan.

The monitoring plans required under 40 CFR 141.132(f) shall be prepared in a format containing all the information in 62-550.821(11), F.A.C. and shall be available for review during sanitary surveys conducted by the Department. [Subsections 62-550.321(10) and (11), F.A.C.]

An example monitoring plan format can be downloaded from the following website:

<http://www.dep.state.fl.us/water/drinkingwater/forms.htm>

9. Failure to provide an operation and maintenance manual.

Suppliers of water shall provide an operation and maintenance manual for each of their drinking water treatment plants and shall update the manual as necessary to reflect plant alterations and additions. The manual shall contain operation and control procedures, and preventive maintenance and repair procedures, for all plant equipment and shall be made available for reference at the plant or at a convenient location near the plant. Bound and indexed equipment manufacturer manuals shall be considered sufficient to meet the requirements of this subsection. [Rule 62-555.350(13), F.A.C.]

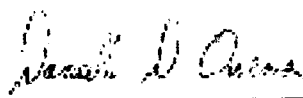
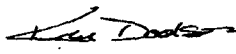
The Florida Rural Water Association's (FRWA) website, www.frwa.net, contains a document intended to assist you in preparing a preventive maintenance program and an operation and maintenance manual.

10. Failure to provide a written preventive maintenance program.

Suppliers of water shall keep all necessary public water system components in operation and shall maintain such components in good operating condition so the components function as intended. Preventive maintenance on electrical or mechanical equipment – including exercising of auxiliary power sources, checking the calibration of finished-drinking-water meters at treatment plants, testing of air or pressure relief valves for hydropneumatic tanks, and exercising of isolation valves – shall be performed in accordance with the equipment manufacturer's recommendations or in accordance with a written preventive maintenance program established by the supplier of water; however, in no case shall auxiliary power sources be run under load less frequently than monthly. [Rule 62-555.350(2), F.A.C.]

COMMENTS/REMINDERS:

- **Lead and copper tap sampling must be conducted during the June-September 2008 monitoring period.**
For other chemical monitoring requirements, you are advised to call Marie Carrasquillo at (407) 894-7555, extension 2242, or Paul Morrison at (407) 893-3988.
All results must be submitted to DEP within the first 10 days following the end of the required monitoring period or the first 10 days following the month in which the sample results were received, whichever time is the shortest. A Florida Department of Health (DOH) certified laboratory must analyze all laboratory samples.
- **Provide documentation of last cleaning and inspection for finished-drinking-water storage tanks.**
Accumulated sludge and bio-growths shall be cleaned routinely (i.e., at least annually) from all treatment facilities that are in contact with raw, partially treated, or finished drinking water and that are not specifically designed to collect sludge or support a bio-growth; and blistering, chipped, or cracked coatings and linings on treatment or storage facilities in contact with raw, partially treated, or finished drinking water shall be rehabilitated or repaired.
Finished-drinking-water storage tanks shall be checked at least annually to ensure that hatches are closed and deposits, and sludge from inside the tanks; and shall be inspected for structural and coating integrity at least once every five years by personnel under the responsible charge of a professional engineer licensed in Florida.
All suppliers of water shall keep records documenting that their finished-drinking-water storage tanks, including conventional hydropneumatic tanks with an access manhole but excluding bladder- or diaphragm-type hydropneumatic tanks without an access manhole, have been cleaned during the past five years in accordance with subsection 62-555.350(2), F.A.C. [Paragraph 62-555.350(12)(c), F.A.C.]
Ensure proper disinfection and bacteriological evaluation of public water system components in accordance with Rule 62-555.340, F.A.C. Also, ensure proper disposal of heavily chlorinated water from the tank disinfection process.
- **Provide documentation that the finished-drinking-water meter has been calibrated.**
Preventive maintenance on electrical or mechanical equipment – including exercising of auxiliary power sources, checking the calibration of finished-drinking-water meters at treatment plants, testing of air or pressure relief valves for hydropneumatic tanks, and exercising of isolation valves – shall be performed in accordance with the equipment manufacturer's recommendations or in accordance with a written preventive maintenance program established by the supplier of water; however, in no case shall auxiliary power sources be run under load less frequently than monthly. [Subsection 62-555.350(2), F.A.C.]
- **The consumer confidence report (CCR) must be delivered to consumers and the Department no later than July 1, 2008, and certification of delivery of the CCR must be submitted to the Department no later than August 10, 2008.**

Inspector  Title Environmental Specialist I Date 03/17/08
Approved by  Title Environmental Manager Date 03/21/08

PREPARED BY AND RETURN TO:
Lee Jay Colling, Esquire
Lee Jay Colling & Associates, P.A.
20 North Orange Avenue, Suite 700
Orlando, Florida 32801

MEMORANDUM OF PROPRIETARY LEASE

THREE LAKES PARK CO-OP, INC., a Florida not-for-profit corporation, formerly known as Three Lakes Park Residents Association, Inc., as Lessor, 12315 U.S. Highway 441, Tavares, Florida 32778, hereby leases to TLP WATER, INC., as Lessee(s), whose address is 12315 U.S. Highway 441, Lot 9, Tavares, Florida 32778, the following described premises:

Unit # 9 of THREE LAKES MOBILE HOME PARK, a Cooperative, according to Exhibit "B" (Plot Plan) of the Master Form Proprietary Lease recorded December 30, 1992, in Official Record Book 1203, Pages 795 through 825, inclusive, Public Records of Lake County, Florida, and subject to two Wrap-Around Mortgages encumbering the park in favor of MOBILE HOME PARK INVESTORS CO., INC., recorded December 30, 1992, in Official Record Book 1203, Pages 749 through 753, inclusive, and in Official Record Book 1203, Pages 754 through 758, inclusive, Public Records of Lake County, Florida, respectively; and an Underlying First Mortgage to James Wilson Hodges, a/k/a James W. Hodges, and Nancy W. Hodges, a/k/a Nancy Woodson Hodges, his wife, dated July 29, 1977, and recorded in Official Record Book 633, Page 781 through 783, Public Records of Lake County, Florida, securing a Promissory Note dated July 29, 1977, having an approximate balance of \$84,985.24 as of December 30, 1992,

for a term of Ninety-Nine (99) years from the 30th day of December, 1992, until the 30th day of December, 2091, in consideration of the mutual covenants contained in that certain Master Form Proprietary Lease and all amendments thereto, which are incorporated herein by reference, the original of which is recorded in the Public Records of Lake County, as set forth above and which is maintained in the office of Lessor at the park in Tavares, Florida. Lessees are the owners of appurtenant Membership Certificate # _____ of THREE LAKES PARK CO-OP, INC., a Florida not-for-profit corporation. This Proprietary Lease may not be transferred or assigned by Lessees without the express written consent of THREE LAKES PARK CO-OP, INC., Lessor.

The present fractional share of the common expense, common surplus, and equity ownership for the above-captioned Membership Certificate in THREE LAKES PARK CO-OP, INC. is 1/32.

EXECUTED this 1ST day of MARCH, ~~1994~~ 2008

SIGNED, SEALED, AND DELIVERED IN THE PRESENCE OF:

LESSOR:

THREE LAKES PARK CO-OP, INC.,
a Florida not-for-profit corporation

By: William Gray President

JACK KELLY

(Typed or printed name of Witness)

BOB MANSLEY

(Typed or printed name of Witness)

THIS AGREEMENT Made and entered into by and between IDA P. RENTS, a feme sole, the widow of W.C. Rents, Decensed, C.M. WOLCOTT and MARY ETHEL WOLCOTT, husband and wife, as parties of the first part, and CHARLES L. LUDLOW and EDDIE M. LUDLOW, husband and wife, and DANIEL E. WINN and PEAPL T. WINN, husband and wife, as parties of the second part,

WITNESSETH: That whereas the said first parties have this day sold and conveyed to the parties of the second part that certain property situate, lying and being in Lake County, Florida, known as "Carl's Camp" together with all improvements, buildings, furniture, furnishings, fixtures and equipment, more specific reference to said property description and inventory of said property conveyed being made to a Warranty Deed of even date with this agreement, made, executed and delivered by the first parties to the second parties, and

WHENAS as a part of the consideration of the sale of said property to the parties of the second part it was agreed that the parties of the second part would furnish water from an existing pipe line running from the property sold by the first parties to the said second parties, and from tanks, wells and pumps located on the said property, which tanks, wells and pumps are part of the property sold and conveyed,

IT IS AGREED AS FOLLOWS:-

1. The said second parties mutually agree with the said first parties to furnish water to Lots 1 to 15, both inclusive, of Sunset View, a Subdivision according to plat thereof recorded in Plat Book 11 at Page 66 of the Public Records of Lake County, Florida, upon the following terms and conditions:

(a) That the second parties will charge for said water the sum of \$1.25 per month beginning with the date of this agreement to each lot where the same is required by the owner or owners of said lot with said charge to be made from the date when the water is furnished to said lots; but the second parties shall not be required to make any installations on any lots, or to be placed at any expense for the installation of water lines on said lots, or any expense of maintenance of said water lines upon said lots after installation, it being understood and agreed that the second parties are merely to furnish water as requested and needed from the original line laid upon the property sold by the first parties to the second parties.

(b) The second parties agree to maintain said pipe line upon the property above referred to sold by the first parties to the second parties in a proper condition as a conduit for said water, and that said maintenance shall be at the expense of the second parties.

(c) It is further understood and agreed that the current charge for water is based upon the present rate which is being charged by the Town of Tavares to its residents and inhabitants, and that the second parties will in the future have the privilege and right to increase their water rates for monthly charges as such rates are increased by the Town of Tavares.

(d) It is further agreed that nothing in this instrument is to be construed as preventing the owners of any of said lots in said subdivision above named from installation of their own water systems.

(c) It is further understood and agreed that the covenants of this agreement shall enure to the present owners or the future purchasers of said lots of said subdivision the same as if they were parties to this agreement, and that the agreements made herein are binding upon the heirs, assigns, or successors of the parties of the second part.

IN WITNESS WHEREOF the said parties hereto have hereunto set their hands and seals this the 1st day of May, 1945.

Ida F. Rantz (SEAL)
Ida F. Rantz

C. C. Volcott (SEAL)
C. C. Volcott

Mary Ethel Volcott (SEAL)
Mary Ethel Volcott

First Parties

Charles L. Ludlow (SEAL)
Charles L. Ludlow

Elsie M. Ludlow (SEAL)
Elsie M. Ludlow

Daniel E. Winn (SEAL)
Daniel E. Winn

Pearl T. Winn (SEAL)
Pearl T. Winn

Second Parties

Signed, sealed and delivered in the presence of:

P. E. Hendricks
H. C. Harris

STATE OF FLORIDA }
COUNTY OF LAKE } SS

I HEREBY CERTIFY, that on this day personally appeared before me, an officer duly authorized to administer oaths and take acknowledgments, the following individuals: IDA P. PENTZ, C.C. WOLCOTT, MARY ETHEL WOLCOTT, CHARLES L. LUDLOW, ELSIE M. LUDLOW, DANIEL E. WINN, PEARL T. WINN, all of said individuals being to me well known, and known to me to be the persons described in and who executed the foregoing Agreement, and who jointly and severally acknowledged before me that they executed the said instrument freely and voluntarily for the uses and purposes therein expressed.

WITNESS my hand and official seal at
Troyes, Lake County, Florida, this the 1st day of May,
1940.

(Signature)
Notary Public State
of Florida at Large

My commission expires: *5-20*, 19*51*

FILED IN THE OFFICE OF THE CLERK OF CIRCUIT COURT *11 9 A.M.*
11 May 194*0* RECORDED IN *Deed* BOOK *276* PAGE
183-186 LAKE COUNTY, FLORIDA. RECORD VERIFIED.

Eng Dykes CLERK CIRCUIT COURT

Exhibit 4B

**FISHER, RUSHMER, WERREN RATH,
DICKSON, TALLEY & DUNLAP, P.A.
ATTORNEYS AT LAW**

20 NORTH ORANGE AVENUE, SUITE 1500
POST OFFICE BOX 712
ORLANDO, FLORIDA 32802-0712
(407) 843-2111
TELEFAX (407) 422-1080
WEBSITE: www.fisherlawfirm.com

September 15, 2008

Kimberly E. Lorenz
Internet Address: KLORENZ@FISHERLAWFIRM.COM

SENT VIA EMAIL AND US MAIL

Mr. William Carey
Three Lakes Mobile Home Park
12315 Highway 441
Tavares, FL 32778

**Re: Horvath v. Three Lakes, etc., et al.
File No.: 620-17**

Dear Mr. Carey:

This letter will confirm that on May 22, 2008, a meeting was held between the Directors of TLP Water Co., and their water customers, which included the residents of Canal Street, Lakeside Lane and Three Lakes Park. The residents of Lakeside Lane and Canal Street were represented by separate counsel at this meeting.

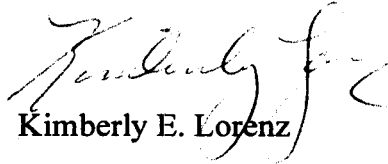
At this meeting, TLP presented to the water customers an overview of what has happened with the water system since the repairs which were necessitated in 2006. During the meeting, three specific issues were discussed and/or negotiated:

- A new flat Water Rate of \$39/month per household was negotiated and agreed upon by TLP Water Co. and counsel for the Lakeside Lane and Canal Street residents.
- TLP discussed the refusal of Lakeside Lane and Canal Street residents to pay their water bills, as said customers had refused payment since January of 2008 in response to the indicated rate change by TLP. The residents agreed through their counsel to pay their water bills from January through June of 2008 by June 1, 2008. The amount due was negotiated at the agreed upon flat rate of \$39/month.
- The customers were informed that TLP needs and plans to bill its customers for their pro rata share of the repairs and renovations to the water system which were necessitated by the 2006 damage to the old system. This discussion was tabled for another meeting, and will likely continue to be met with resistance by the customers until the issue of the deed restrictions is resolved.

- Some Canal Street residents indicated that in response to the rate change from TLP Water Co., they intended to discontinue service with TLP and get their water from a private well. TLP informed all present that customers are free to discontinue their water use from TLP at any time, but that such removal would not release those customers from responsibility for the expenses incurred for the repairs and renovations to the water system.
- Finally, all present were also informed that the current flat rate of \$39/month was based on the expenses for operating and maintaining the water system for 2007, and that a new rate would like have to be instituted annually based on additional operating, maintenance and repair costs, as well as an updated number of customers still using the water system.

Please let me know if there is anything from the meeting which you do not feel is accurately reflected or included in this letter. Should you have any other questions, please do not hesitate to call.

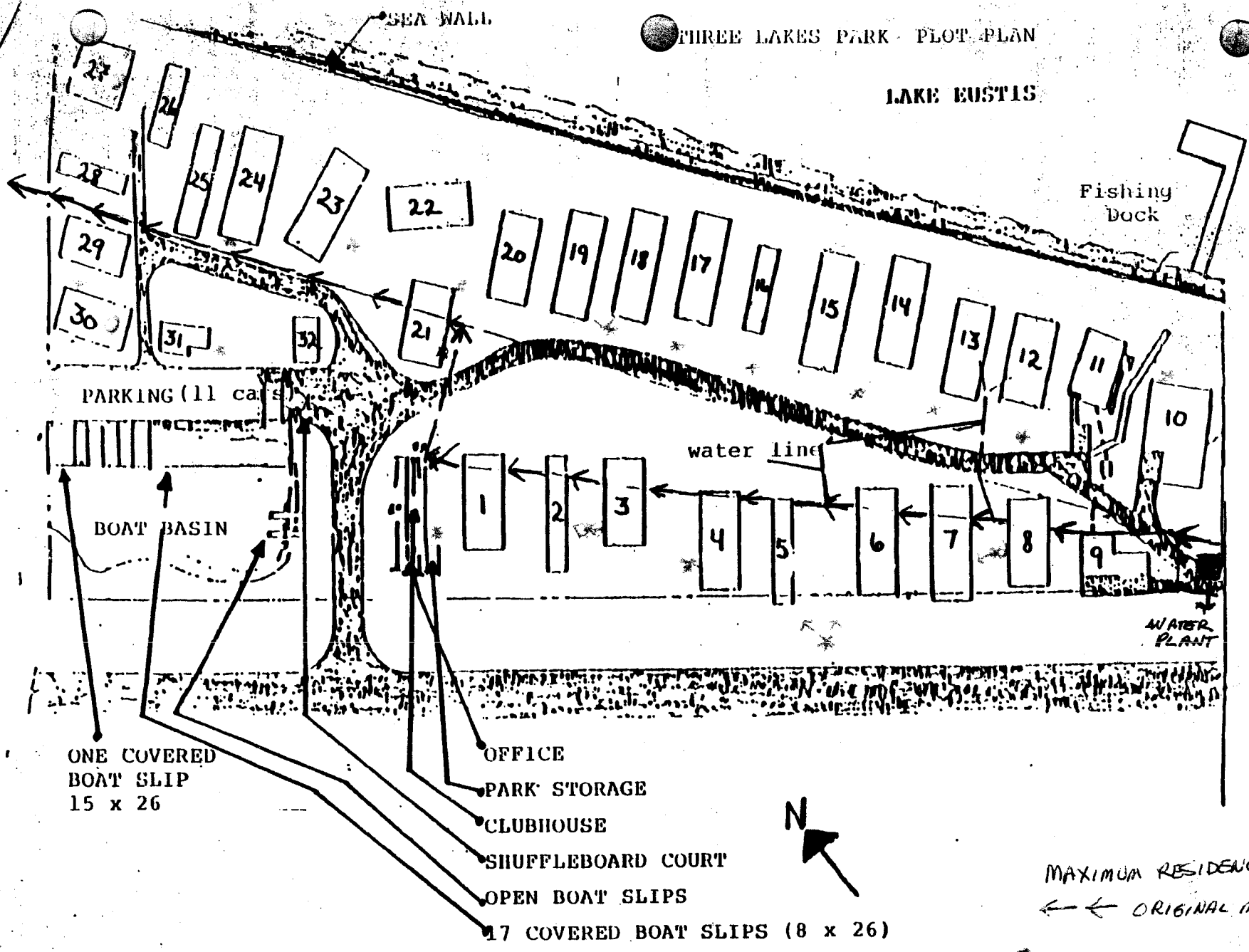
Sincerely,



Kimberly E. Lorenz

THREE LAKES PARK PLOT PLAN

LAKE EUSTIS



ONE COVERED BOAT SLIP 15 x 26

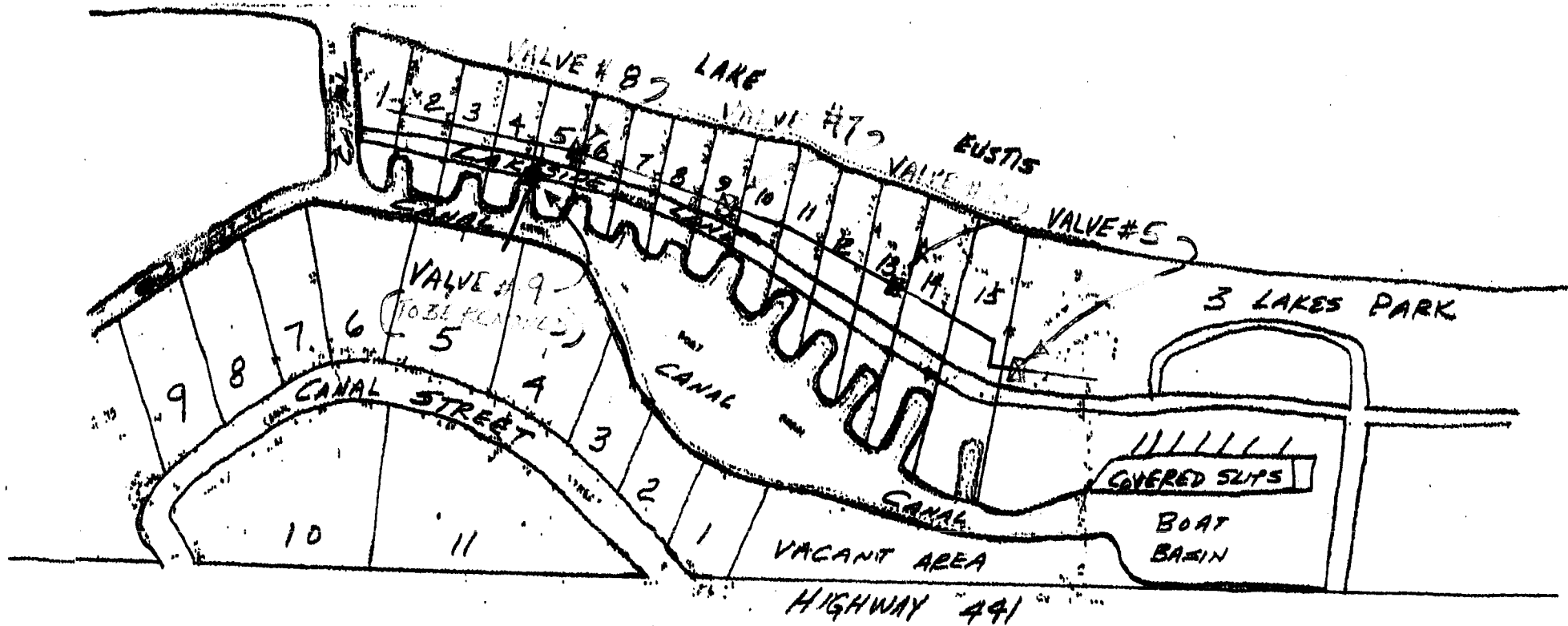
- OFFICE
- PARK STORAGE
- CLUBHOUSE
- SHUFFLEBOARD COURT
- OPEN BOAT SLIPS
- 17 COVERED BOAT SLIPS (8 x 26)



MAXIMUM RESIDENCE TIME (MRT)
 ← ← ORIGINAL MAIN 1948

Exhibit 7A

THREE LAKES PARK CO-OP, INC.
TLP WATER, INC.



VALVE SCHEDULE BY NAME @ LAKE SIDE CANAL

NO SCALE

Exhibit
7B



Florida Department of Environmental Protection

Central District
3319 Maguire Boulevard, Suite 232
Orlando, Florida 32803-3767

Charlie Crist
Governor

Jeff Kottkamp
Lt. Governor

Michael W. Sole
Secretary

July 18, 2008

Three Lake Park Co-Op Inc
12315 U.S. Hwy 441, Lot 24
Tavares, FL. 32778

Attention: William E. Carey, President

Lake County - PW
Three Lakes Park
PWS 3351579
Hydropneumatic Tank

Dear Mr. Carey:

This acknowledges receipt of certification that the subject water distribution system extension has been completed in accordance with the plans and related materials permitted by this agency on Permit Number WD35-0080545-001 dated July 7, 2006 and that the system has passed the pressure and bacteriological tests that were conducted in accordance with the AWWA Standards.

Based on this certification and satisfactory bacteriological results, we are accepting the system for service.

Included in this project are:

- a new 2,000-gallon ASME Code horizontal hydropneumatic tank, located southwest of the existing 2,000-gallon hydropneumatic tank, which was removed.
- relocation of the existing hypochlorination facilities to a new chlorination structure located adjacent to the new hydropneumatic tank, with a new chlorine injection point on the new raw water line and associated piping, valves, 2-inch flow meter, controls & appurtenances.

The responsibility for the microbiological quality of the water at the time it ultimately reaches the consumer's meter remains entirely with the utility and/or the owner/operator of the system who should ensure that this quality remains as represented by the bacteriological test results presented. This letter of clearance does not preclude the need for obtaining acceptance by other entities as may be required.

Sincerely,

Kyle M. Kubanek E.I.
Engineer III
Drinking Water Permitting

KMK/lis

cc: Kenneth R. Wicks, P.E.
DEP Compliance/Enforcement
FDEP: Richard Lott, Paul Morrison, Kim Dodson, Cary Padell

richard.lott@dep.state.fl.us; paul.morrison@dep.state.fl.us; kim.dodson@dep.state.fl.us;
cary.padell@dep.state.fl.us; barbara.browning@dep.state.fl.us; blcarey@comcast.net;
www.dep.state.fl.us; www.dep.state.fl.us

AS-10 151+ 111

Permittee:
Three lakes Park Co-Op, Inc.
12315 U.S. Highway 441, Lot 24
Tavares, FL 32778
Attention: William E. Carey, President

Permit Number: WC35-0080545-001
Expiration Date: May 25, 2011
County: Lake
Utility: Three Lakes Park
Project: Hydropneumatic Tank

STATE OF FLORIDA DEPARTMENT
OF ENVIRONMENTAL PROTECTION

Christianne C. Ferraro

Christianne C. Ferraro P.E.
Administrator, Water Resource Management

ISSUED July 7, 2006

CCF:fh:jo

Copies furnished to:
3523433403@fax1.dep.state.fl.us; 3523438665@fax1.dep.state.fl.us

Kyle Kubanek, FDEP

CERTIFICATE OF SERVICE

The undersigned duly designated deputy agency clerk hereby certified that this NOTICE OF PERMIT ISSUANCE and all copies were sent by E-Mail before the close of business on July 7, 2006 to the listed persons.

FILING AND ACKNOWLEDGMENT

FILED, on this date, pursuant to Section 120.52, *Florida Statutes*, with the designated Department Clerk, receipt of which is hereby acknowledged.

Theresa Bullin

Clerk

July 7, 2006
Date

6-2-11-11-11

Permittee:
Three lakes Park Co-Op, Inc.
12315 U.S. Highway 441, Lot 24
Tavares, Fl 32778
Attention: William E. Carey, President

Permit Number: WC35-0080545-001
Expiration Date: May 25, 2011
County: Lake
Utility: Three Lakes Park
Project: Hydropneumatic Tank

SPECIFIC CONDITIONS:

Clearance of the Project

1. *A Clearance Letter must be issued by the DEP Central District Potable Water program before placement of this project into service. Failure to do so will result in enforcement action against the permittee.*

To obtain clearance letter, the engineer of record must submit the following:

- ✓ (1) completion of the enclosed "Request for Letter of Release to Place Water Supply System into Service" [DEP Form 62-555.900(9), F.A.C.];
- ✓ (2) a copy of this permit;
- (3) a copy of satisfactory bacteriological sample results taken on two consecutive days from the following locations:
 - A. The Designated sampling location (end of new finished water piping at the point of connection)
- ✓ (4) The engineer of record shall certify that, in accordance with Rule 62-555.320(5), F.A.C., the new tank is enclosed by fencing with lockable access gate so as to be protected to prevent tampering, vandalism and sabotage.
- ✓ (5) The engineer of record shall certify that an emergency shower/eyewash facility is provided for the relocated hypochlorination equipment

Permit Transfer

- 2. The permittee will promptly notify the Department upon sale or legal transfer of the permitted facility. In accordance with General Condition #11 of this permit, this permit is transferable only upon Department approval. The new owner must apply, by letter, for a transfer of permit within 30 days.
- 3. The permittee shall retain a Florida-licensed professional engineer in accordance with subsection 62-555.530(3), F.A.C., to take responsible charge of inspecting construction of the project for the purpose of determining in general if the construction proceeds in compliance with the permit, including the approved preliminary design report of drawings and specifications, for the project.
- 4. The permittee shall have complete record drawings produced for the project in accordance with Rule 62-555.530(4), F.A.C.
- 5. The permittee shall provide an operation and maintenance manual for the new or altered treatment facilities to fulfill the requirements under Rule 62-555.350(13), F.A.C.

6-11-2011 9:11

Permittee:
Three lakes Park Co-Op, Inc.
12315 U.S. Highway 441, Lot 24
Tavares, Fl 32778
Attention: William E. Carey, President

Permit Number: WC35-0080545-001
Expiration Date: May 25, 2011
County: Lake
Utility: Three Lakes Park
Project: Hydropneumatic Tank

GENERAL CONDITIONS

- 10. The permittee agrees to comply with changes in Department rules and Florida Statutes after a reasonable time for compliance; provided, however, the permittee does not waive any other rights granted by Florida Statutes or Department rules.
- 11. This permit is transferable only upon Department approval in accordance with Rule 62-4.120 and 62-30.300, F.A.C., as applicable. The permittee shall be liable for any non-compliance of the permitted activity until the transfer is approved by the Department.
- 12. This permit or a copy thereof shall be kept at the work site of the permitted activity.
- 13. ~~This permit also constitutes:~~
 - ~~() Determination of Best Available Control Technology (BACT)~~
 - ~~() Determination of Prevention of Significant Deterioration (PSD)~~
 - ~~() Certification of compliance with state Water Quality Standards (Section 401, PL 92-500)~~
 - ~~() Compliance with New Source Performance Standards~~
- 14. The permittee shall comply with the following:
 - (a) Upon request, the permittee shall furnish all records and plans required under Department rules. During enforcement actions, the retention period for all records will be extended automatically unless otherwise stipulated by the Department.
 - (b) The permittee shall hold at the facility or other location designated by this permit records of all monitoring information (including all calibration and maintenance records and all original strip chart recordings for continuous monitoring instrumentation) required by the permit, copies of all reports required by this permit, and records of all data used to complete the application for this permit. These materials shall be retained at least three years from the date the sample, measurement, report, or application unless otherwise specified by Department rule.
 - (c) Records of monitoring information shall include:
 - 1. the date, exact place, and time of sampling or measurements;
 - 2. the person responsible for performing the sampling or measurements;
 - 3. the dates analyses were performed;
 - 4. the person responsible for performing the analyses;
 - 5. the analytical techniques or methods used;
 - 6. the results of such analyses.
- 15. When requested by the Department, the permittee shall within a reasonable time furnish any information required by law which is needed to determine compliance with the permit. If the permittee becomes aware the relevant facts were not submitted or were incorrect in the permit application or in any report to the Department, such facts or information shall be corrected promptly.

Exhibit
91A



Department of Environmental Protection

Jeb Bush
Governor

Central District
3319 Maguire Boulevard, Suite 232
Orlando, Florida 32803-3767

Colleen M. Castille
Secretary

NOTICE OF PERMIT ISSUANCE

SENT BY MAIL

Three lakes Park Co-Op, Inc.
12315 U.S. Highway 441, Lot 24
Tavares, FL 32778

Attention: William E. Carey, President

Lake County - PW
Three Lakes Park
Hydropneumatic Tank

Dear Mr. Carey:

Enclosed is Permit Number WC35-0080545-001 to modify a water plant issued pursuant to Section 403.861(9), *Florida Statutes*.

The Department's proposed agency action shall become final unless a timely petition for an administrative hearing is filed under Sections 120.569 and 120.57 of the *Florida Statutes* before the deadline for filing a petition. The procedures for petitioning for a hearing are set forth below.

A person whose substantial interests are affected by the Department's proposed permitting decision may petition for an administrative proceeding (hearing) under Sections 120.569 and 120.57 of the *Florida Statutes*. The petition must contain the information set forth below and must be filed (received by the clerk) with:

Clerk of the Department of Environmental Protection
Office of General Counsel
3900 Commonwealth Boulevard, Mail Station 35
Tallahassee, Florida 32399-3000.

Petitions by the applicant or any of the parties listed below must be filed within fourteen days of receipt of this written notice. Petitions filed by any persons other than those entitled to written notice under Section 120.60(3) of the *Florida Statutes* must be filed within fourteen days of publication of the notice or within fourteen days of receipt of the written notice, whichever occurs first.

Under Section 120.60(3) of the *Florida Statutes*, however, any person who has asked the Department for notice of agency action may file a petition within fourteen days of receipt of such notice, regardless of the date of publication.

The petitioner shall mail a copy of the petition to the applicant at the address indicated above at the time of filing. The failure of any person to file a petition within the appropriate time period shall constitute a waiver of that person's right to request an administrative determination (hearing) under Sections 120.569 and 120.57 of the *Florida Statutes*. Any subsequent intervention (in a proceeding initiated by another party) will be only at the discretion of the presiding officer upon the filing of a motion in compliance with Rule 28-106.205 of the *Florida Administrative Code*.

EXHIBIT 1A

A petition that disputes the material facts on which the Department's action is based must contain the following information:

- (a) The name, address, and telephone number of each petitioner; the name, address, and telephone number of the petitioner's representative, if any; the Department permit identification number and the county in which the subject matter or activity is located;
- (b) A statement of how and when each petitioner received notice of the Department action;
- (c) A statement of how each petitioner's substantial interests are affected by the Department action;
- (d) A statement of all disputed issues of material fact. If there are none, the petition must so indicate;
- (e) A statement of facts that the petitioner contends warrant reversal or modification of the Department action;
- (f) A concise statement of the ultimate facts alleged, as well as the rules and statutes which entitle the petitioner to relief; and
- (g) A statement of the relief sought by the petitioner, stating precisely the action that the petitioner wants the Department to take.

A petition that does not dispute the material facts on which the Department's action is based shall state that no such facts are in dispute and otherwise shall contain the same information as set forth above, as required by Rule 28-106.301, *Florida Statutes*.

Because the administrative hearing process is designed to formulate final agency action, the filing of a petition means that the Department's final action may be different from the position taken by it in this notice. Persons whose substantial interests will be affected by any such final decision of the Department have the right to petition to become a party to the proceeding, in accordance with the requirements set forth above.

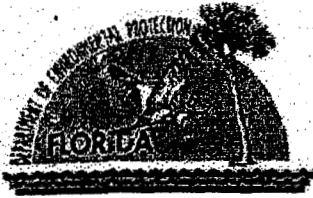
Mediation under Section 120.573 of the *Florida Statutes* is not available for this proceeding.

This action is final and effective on the date filed with the Clerk of the Department unless a petition is filed in accordance with the above. Upon the timely filing of a petition this order will not be effective until further order of the Department.

Any party to the order has the right to seek judicial review of the order under Section 120.68 of the *Florida Statutes*, by the filing of a notice of appeal under Rule 9.110 of the Florida Rules of Appellate Procedure with:

Clerk of the Department of Environmental Protection
Office of General Counsel
Mail Station 35,
3900 Commonwealth Boulevard
Tallahassee, Florida, 32399-3000

and by filing a copy of the notice of appeal accompanied by the applicable filing fees with the appropriate district court of appeal. The notice of appeal must be filed within 30 days from the date when the final order is filed with the Clerk of the Department.



Department of Environmental Protection

EX-110-111

Jeb Bush
Governor

Central District
3319 Maguire Boulevard, Suite 232
Orlando, Florida 32803-3767

Colleen Castille
Secretary

Permittee:
Three lakes Park Co-Op, Inc.
12315 U.S. Highway 441, Lot 24
Tavares, Fl 32778

Permit Number: WC35-0080545-001
Expiration Date: May 25, 2011
County: Lake
Utility: Three Lakes Park
Project: Hydropneumatic Tank

Attention: William E. Carey, President

This permit is issued under the provisions of Chapter 403, *Florida Statutes*, and Rule 62-555, *Florida Administrative Code*, (F.A.C.). The above named permittee is hereby authorized to perform the work shown on the application and approved drawing, plans, and other documents attached hereto or on file with the Department and made a part hereof and specifically described as follows:

PROJECT DESCRIPTION

This project consisted of installing & connecting a replacement hydropneumatic tank to the existing Three Lakes Park Water Plant. Included are:

- a new 2,000-gallon ASME Code horizontal hydropneumatic tank, located southwest of the existing 2,000-gallon hydropneumatic tank, which will be removed.
- relocation of the existing hypochlorination facilities to a new chlorination structure located adjacent to the new hydropneumatic tank, with new chlorine injection point on the new raw water line
- associated piping, valves, 2-inch flow meter, controls & appurtenances.

The plant is located on the north side of U.S. Highway 441 at 12315 U.S. Highway 441 in Tavares.

Specific Conditions of this permit include:

- ✓ - The engineer of record shall certify that, in accordance with Rule 62-555.320(5), F.A.C., the new tank is enclosed by fencing with lockable access gate so as to be protected to prevent tampering, vandalism and sabotage.
- ✓ - The engineer of record shall certify that an emergency shower/eyewash facility is provided for the relocated hypochlorination equipment

EX-100 + 914

Permittee:
Three lakes Park Co-Op, Inc.
12315 U.S. Highway 441, Lot 24
Tavares, Fl 32778
Attention: William E. Carey, President

Permit Number: WC35-0080545-001
Expiration Date: May 25, 2011
County: Lake
Utility: Three Lakes Park
Project: Hydropneumatic Tank

GENERAL CONDITIONS

1. The terms, conditions, requirements, limitations and restrictions set forth in this permit, are "permit conditions" and are binding and enforceable pursuant to Sections 403.141, 403.727, or 403.859 through 403.861, F.S. The permittee is placed on notice that the Department will review this permit periodically and may initiate enforcement action for any violations of these conditions.
2. This permit is valid only for the specific processes and operations applied for and indicated in the approved drawings or exhibits. Any unauthorized deviation from the approved drawings, exhibits, specifications, or conditions of this permit may constitute grounds for revocation and enforcement action by the Department.
3. As provided in subsections 403.087(6) and 403.722(5), F.S., the issuance of this permit does not convey any vested rights or any exclusive privileges. Neither does it authorize any injury to public or private property or any invasion of personal rights, nor any infringement of federal, state, or local laws or regulations. This permit is not a waiver of or approval of any other Department permit that may be required for other aspects of the total project which are not addressed in this permit.
4. This permit conveys no title to land or water, does not constitute State recognition or acknowledgment of title, and does not constitute authority for the use of submerged lands unless herein provided and the necessary title or leasehold interests have been obtained from the State. Only the Trustees of the Internal Improvement Trust Fund may express State opinion as to title.
5. This permit does not relieve the permittee from liability for harm or injury to human health or welfare, animal, or plant life, or property caused by the construction or operation of this permitted source, or from penalties therefore, nor does it allow the permittee to cause pollution in contravention of Florida Statutes and Department rules, unless specifically authorized by an order from the Department.
6. The permittee shall properly operate and maintain the facility and systems of treatment and control (and related appurtenances) that are installed and used by the permittee to achieve compliance with the conditions of this permit, as required by Department rules. This provision includes the operation of backup or auxiliary facilities or similar systems when necessary to achieve compliance with the conditions of the permit and when required by Department rules.
7. The permittee, by accepting this permit, specifically agrees to allow authorized Department personnel, upon presentation of credentials or other documents as may be required by law and at reasonable times, access to the premises where the permitted activity is located or conducted to:
 - (a) Have access to and copy any records that must be kept under conditions of the permit;
 - (b) Inspect the facility, equipment, practices, or operations regulated or required under this permit; and
 - (c) Sample or monitor any substances or parameters at any location reasonably necessary to assure compliance with this permit or Department rules.

Reasonable time may depend on the nature of the concern being investigated.
8. If, for any reason, the permittee does not comply with or will be unable to comply with any conditions or limitation specified in this permit, the permittee shall immediately provide the Department with the following information:
 - (a) A description of and cause of noncompliance; and
 - (b) The period of noncompliance, including dates and times; or, if not corrected, the anticipated time the noncompliance is expected to continue, and steps being taken to reduce, eliminate, and prevent recurrence of the noncompliance.

The permittee shall be responsible for any and all damages which may result and may be subject to enforcement action by the Department for penalties or for revocation of this permit.
9. In accepting this permit, the permittee understands and agrees that all records, notes, monitoring data and other information relating to the construction or operation of this permitted source which are submitted to the Department may be used by the Department as evidence in any enforcement case involving the permitted source arising under the Florida Statutes or Department rules, except where such use is prescribed by Section 403.111 and 403.73, F.S. Such evidence shall only be used to the extent it is consistent with the Florida Rules of Civil Procedure and appropriate evidentiary rules.